Trains
C H 40-50-11/12

App F IX 4

Previous References
Rly 25-49-11/28

1952-53
(C H)

File No 84-52-
Serial Nos 1, 6, 7

Later References

GENERAL AND REVENUE SECRETARIAT

Serial Nos 3

2.114
E

Part B for June 1953

SUBJECT

Taxation of Railway Properties at Bangalore Cantonment

WD 01425—GPB—25 000—15 9 1952

L 2411/ Dated 21 5 1953

To

The General Manager
Southern Railway
Madras

Intimates that the Commissioner has been agreed to refund the amount

S[illegible]

Taxation of Railway properties at B'lore Cantonment

—

From

The General Manager, M & S M Railway
no M 2847/1 dated 9 8 1950

Requests the Corporation being addressed to exempt the above properties from the Municipal Tax under Sec 41 of the B M L

—

1) Municipal Collection 10-48 Cls 178 and bearing on the Subject is put up

2) For Half the Sanitary Cess due from M & S M Railway was waived at the suggestion of the General Manager of Mail Railways in G O No L 14495-6/Inl 10 48-179 D/17 9 based on the formula accepted by the Madras Govt and the Govt of India Regarding a levy of general Sanitary Cess in their order no 330 L A dated 25-2-1948

3) In letter no R S 2203 Ry 23-4 28 dated 27/12/48, orders were issued to the effect that no tax is leviable under Section 41 of the Bangalore Municipal Laws in respect of any building or land belonging to the Government of Mysore or the Government of India the collection in which the order dated 23 12 48 referred to above is not traceable A copy of the letter will be called for from the Commissioner Corporation of the city of Bglore

Taxation of Railway properties at Bangalore Cantonment

819/mt 52054/mg

To

The Commissioner,
Corporation of the City
Bdlre
L 2327/49 26/5/50
Certified Copy of the
letter dt 22/12/49

6) Resubmitted with reference to Para 5 Supra A draft reply to the General Manager is also put up for approval

27/5/50

7) Issue
[illegible]
25/5/50

To

The General Manager,
M & S M Railway
Park Town
Madras 3

L 2450/49 31/5/50

Status Thus orders will be issued

5/6/50

From
The General Manager, M & S M Railway

No M 28247-I dated 23/24-6-50

Requests the Scope of the enabling
Collection Rey 23-49 Calls 11 & 28) as flag "O"
put up
The M & S M Railway has the

Taxation of NOV 2054/mb 3
Railway properties at B'lore Cantonment

Because the property of the Central Govt which enjoys the powers of the Govt is not liable to Municipal Tax

10) The payment of this tax all along on these considerations is based on the Railway Boards notification dated 24 8 1911
The General Manager, M+S M Railways has Requested for exemption of these considerations also from payment of this tax on behalf of the Central Govt covering over all the Railways

A 11) It is for consideration whether the B'lore corporation may be consulted with Regard to the exemption asked for, & if it is necessary for the ~~General Manager~~ Railway to move the Railway Board for for annulling their notification dated 24 8, 1911.

12) The Law Secretary may also, if considered necessary, be consulted on the Legal position

29/8/58 JDT

13) A - may be done

14) Appr letter put up for

15) A draft letter is put up 1/9/58 for approval

Subd 1/9/58 JDT

16) Done accordingly 1/9/58

Done 1/9

Comm Manager, Cooperating with the Railways
L 4194/49 15-7-58
Calls for information

Taxation of Railway Properties at
1054/320 Bangalore Cantonment

From

The General Manager
M & S M Rly
Park Town, Madras

Letter no M 2847/1 dated 5/8/50
Requests the stage at which the matter
stands now on the subject

17) Information was called for in
this office letter no 4194/47 15.7.50 from
the Commissioner, Corporation of the city
of Bangalore He has not yet furnished
the information in the matter. Draft
letters are put up for appl.
Sd/-
K
9/8/50 JR
20

Sd/- Illegible
9/8/50

The Commissioner,
Corporation of the city of Bangalore
(Thro' the Manager
L 5142/47 11/8/50
Returned

To

The General Manager
M&SM Railway
Madras L 5143/47 11.8.50
Status to avoid delay

Sd/-
11/8/50

Acquisition of Railway Property
320/3806/4304 at Bangalore Cantonment

From

The Commissioner,
Corporation of the City of Bangalore

Letter no G1 770/49 24/28 & 50
furnishes the information called for

19) The letter dated 24/28 & 50
is for kind perusal the
decision of the Corporation will
be available
Submitted 1/9/50 yes
20) yes 21/9/50

Sd/- 4/9/50 1/9/50

From

The General Manager
M & S M Railways
Madras

Letter no M 2847/1 dated 20 9 50
Requests the stage at which the matter stands
now

21) Remarks of the L S G Secy on the Action -
Where is it pending ? References
at once" (Sd) L M 21 9 50
orders of the Addl Secy —

22) Please put up the connected
file at once" (Sd) G R Rao
22/9/50

The letter of the Commissioner —

3806/4304 Taxation of Railway Properties at Bangalore Cantonment

dated 24/10/28th August 1950 is for kind perusal It is stated that the matter will be placed before the Corporation Council so far, no information has been received about the decision of the Corporation the receipt of further information will be awaited

Subd with reference to Para 2 Supra.

M
22/9/50

2) pl send a reminder to the Comm of the Corporation to expedite the reply

22/9/50

2a) A draft Reminder is put up for approval.

Subd
M
14/10/50

2b) Issue
14/10/50

The Commissioner,
Corporation of the city of Bangalore
(Thro' the Mayor)
L 7235/A) 14 10 50
Reminder

With great respect it is submitted that the view held in the Government letter to the Chief Auditor, Mysore State Railway, dated 22nd December 1949, that no tax is leviable in respect of M & S M Ry property in Bangalore, ~~is not~~ does not appear to be correct No doubt Sec 41 of the Bangalore Municipal law provides that no tax is leviable in respect of any building belonging to the Government of India, but it is not correct to presume that M & S M Ry property is on the same footing as any other Government property, merely because the Government of India took over the ownership of the company Since the words "buildings belonging to the Government of India" occurring in Sec 41 of the Bangalore Municipal law did not at the time the Municipal law was passed cover properties of the M & S M Ry Co the point should have been considered whether the question is one which could be decided merely by looking into the provisions of Sec 41 In my opinion the question should have been decided not with reference to Sec 41 but also with reference to the over-riding provisions of the Government of India Act, 1935, which was then in force Sec 154 of the Government of India Act provided as follows -

> " Property vested in His Majesty for purposes of the Government of the Federation shall, save in so far as any Federal law may otherwise provide, be exempt from all taxes imposed by, or by any authority within, a Province or Federated State
> Provided that, until any Federal law otherwise provides, any property so vested which was immediatel before the commencement of Part III of this Act liabl or treated as liable, to any such tax, shall, so long as that tax continues, continue to be liable, or to be treated as liable, thereto "

It will be noticed from the proviso to sec 154 that if any property of the Government of India was liable to municipa taxation before the 1st April 1937, the liability still continued irrespective of what the Bangalore Municipal law or any other law provided It was in conformity with this aspect of the question that the Government of Madras issue their G O dated 12th Feb 1942 under which it was ruled

that

that railway buildings of the M & S M Ry are exempt from the municipal tax only if they were constructed after 31st March 1937 This ruling read with the Railway Board's notification dated 24th Aug 1911 makes it perfectly clear that the Civil Station Municipality was justified in the stand they have taken

The position as set forth above still holds good under the new Constitution of India Article 285 provides as follows -

> ' (1) The property of the Union shall save in so far as Parliament may by law otherwise provide, be exempt from all taxes imposed by a State or by any authority within a State
> (2) Nothing in clause (1) shall, until Parliament by law otherwise provides, prevent any authority within a State from levying any tax on any property of the Union to which such property was immediately before the commencement of this Constitution liable or treated as liable, so long as that tax continues to be levied in that State "

It is clear from clause (2) above that inasmuch as before the commencement of the Corporation the M & S M Ry buildings constructed ~~before~~ prior to 1st April 1937 were not immune from municipal taxes, the liability of the compay to pay the taxes still continues, whatever the provisions of the Municipal law or the Corporation Act might be

In this connection it may be mentioned that even under the Corporation Act the M & S M Ry properties are not exempt from municipal taxes, vide sec 101(h) (Incidentally it may be mentioned that there is a lacuna in the Act in that Government lands and buildings referred to in sec 101(h) of the Corporation Act can have reference only to Mysore Government lands and buildings and not Government of India lands and buildings) No doubt in view of Article 284 of the Constitution even if there is no reference to Government of India lands in sec 101(h) of the Corporation Act, they do not become liable to municipal taxes unless they were subject to such taxation before the commencement of the Constitution)

4304 re Taxation of Railway Property
No BNC/19 at the Cantonment Railway Station

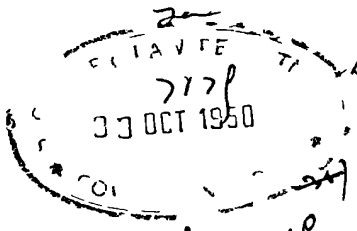
3046 (W 27) In view of the above facts,
The contention of the M S M Railway
cannot be sustained

Pending receipt of the ~~above~~
reply from the Commissioner of the
Corporation, the above note is submitted
for perusal

L Leg 14/X/50

28) The Commr may be reminded to expedite
the reply and the Law Secretary may also be consulted

Law Secretary (for remarks) Leg 26/10



29) It is not clear on what point legal opinion is required, nor can it be made out from para 26 of the notes The Administrative Secretariat may kindl furnish information on the following

1) A note on the facts of the case leading to the issue in question
2) Whether the M & S R Company was paying taxes in question previously
3) Since the Bangalore Municipal Law is no longer in force, whether the payment of taxes or demands thereunder have been continued under the Corporation Act
4) Report from the Corporation may also be made available

Asst-Secy LSG
MC

4/11

4304/L B) 5280

Taxation of Railway property by Bombay
& the Corporation Railway Staff

30) Further information required by the Law Secretary before he furnished a reply regarding power of the Corpn to levy a draft Reminder is put up for approval

7/11/50 Do.

Issued 7/11/50

The Commissioner,
Corporation of the city of Bombay
L 80357 A) 13/11/50
Do reminder sent

Letter no M 2847/1 dated 30.10.50/1.11.50 from the General Manager, Madras requesting the stage at which the question, Madras now

33) the Commissioner, Corporation of The city of Bombay was reminded demi-officially on 13.11.50 the receipt of the reply may be awaited

34) In the meanwhile, whether a reply may be sent to the General Manager, Madras, is awaited

Subd 14/11/50

35) yes 15/11/50

36) A draft letter is put up for approval

Subd 15/11/50

LSG Sec'y 16/11/50

37) In this since received a reply please put-up status by 21/11

23/11

89149 16 HF

5280/mb 5721/mb 11

Taxation of Railway property no B N C/19 at the Cantonement Railway Station

—

From

The Comm, Corporation of Blr
no GL 770 dated 16/21 - 11 - 50

Forwards Resolution dated 26 10 50 of the Corporation on the subject

—

38) The Subject matter of this ltr relates to the exemption of Railway property no B N C/19 at the Cantonement Railway station which is being used for Stabling H H the Maharajas Saloon ~~the tax has been paid~~ upto 1949

39) The Corporation at its meeting held on 26 10 50 has resolved to exempt this Stabling Shed from the payment of municipal tax It is now to be considered whether such exemption should be granted in respect of this particular building and whether the circumstances justify the exemption being granted in which case the own adverse effect of creating a precedent for claims of like exemption in respect of other Railways buildings also as belonging to the Govt of India a legal opinion has been obtained as brought out at para 26 supra of the notes.

40) Subs for orders Ref para 29 supra

25/1/50 Mr 25/1 41) The proposal of the Corporation

5721
md

Taxation on my property

to exempt from payment of municipal taxs, to the extent that the portion of the premises at the Cantonment Rly Stn is used for garaging the Saloon of His Highness the Raja Pramukh may be approved

L S G Secy) MS 27/11

9619
29/11

42) For approval
L S G Minister) by 3/12

43) Re 11/12/52 Pl put up a file

Rec'd
MS Letters
1/12/52

THE [illegible] FOR
LOCAL GOVERNMENT
No 6005
Dt 6/12/52

44) Off Go as put up as per orders under Sec 101 of the Corporation Act (Cl "2") only Cantonments and lands belonging to H H the Maharaja or used or intended for the occupation of H H the Maharaja shall be exempt from the property taxes. It is a point for consideration whether the Shed at the Cantonment Station in question can be considered to be of the category described above as it neither belongs to H H or nor is it used or intended to be used for His occupation there does not appear to be any other provision for the grant of such exemptions

The Off Go put up is for consideration

MS 14/12/52 45) The position has been clearly explained in the letter of the Rly Company dated 9th May 1950

3974 Municipal 13 5/21

Taxation of Rly properties, Bangalore

46) Section 101 (1) is clear the order may come under that clause (1) with the concurrence of the Law Dept

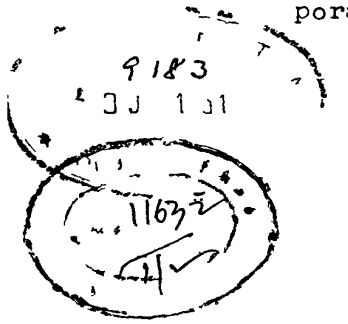
6
14/12

47) Under Secy w/c for favour Law Secty remarks

MS
18/12
MSW
19/12

48) Kind reference is invited to para 29 supra where certain information was called for Information on those points has not been furnished But the question referred to now appears to be different

49) The Corporation have resolved ~~xxxx~~ to exempt the premises in question belonging to M S M Railway for payment of municipal tax Reference is made to Sec 101(1) of the Corporation Act for granting such exemption (vide para 44 supra) So far as sec 101 is concerned, there appears to be no specific provision granting exemption to lands or buildings belonging to the Government of India But sec 101(1) refers to buildings and lands belonging to H H the Maharaja or used or intended for the occupation of H H the Maharaja Since the premises in question is stated to be used for garaging the saloon of H H the Maharaja, it may perhaps be deem d to come within the purview of sec 101(1) of the Corporation Act for purposes of exemption from municipal tax



Law Secy) 50/1884 Fr 2/1

L S & Secy WC) 29/1 F 3071

MS 31/1 MS 1/2

5721/sh V8507/sh

Taxation of Railway properties, B'lore Case

50) In view of the law opinion furnished overleaf, the Govt may exempt the properties on question from the tax may be approved

51) For perusal before move

L S G Secy) MS 6/2

52) Submitted MC 8/2 MS 8/2

Mun Commr, Corporation of Bllre
(Mun: the Mayor)

" General, Manager, M-S Railways,

" Bankers, Corporation of Bllre.

" L 11775-7 C-M 40 50 72

20/2/51

Annexure

The General Manager, M&S Rly
No M 2842/II Dt 13 3 51

Requests to be furnished of the action taken on para 4 of his letter Dated 9 5 50

53) This communication refers to the exemption of M&SM Railways properties which is now held to belong to the Govt of India from payment

Proposition of Railway — Local Authority
17/Law

61) By reason of sub-cl (c) of Art 285 of the Constitution, such of the immovable properties of the S. Railway as are within the limits of the Corporation will be liable to the payment of municipal tax to which they had been liable till the commencement of the Constitution The reference to "Government" in cl (h) in sec 101 of the Bangalore Municipal Corporation Act, 1949, is obviously a reference to the State Government, the said Act having been enacted prior to the inauguration of the Constitution It would be possible to grant exemption to the said properties of the S. Railway by a suitable amendment in the provisions of sec 101 of the Bangalore Municipal Corporation Act, 1949 It may also be stated that in the Amending Bill perding before the Legislature, the words buildings belonging to the Government or the Government of India have been added to the provisions of sec 101

Agree
18/4

62) The remarks of the administrative secretariat at para 56 supra may be considered by the administrative secretariat, in the light of the view expressed above

Law Secy) 18/4

AMM 16/4

Secy (Secy) 63) 18/4

MR 18/4

598
17/4

599
18/4

MR 18/4 MS 18/4

64) It is clear from the law opinion on that under the existing provisions the Southern Railway Buildings at the

S507/ml

Taxation of Railway property B'lore Cantt

17

of municipal taxes.

54) The Shed No BNC/19 at B'lore Cantt used for Stabling H M S Maharaja's Saloon has been ordered to be exempted from these taxes (G.O. dated 10-2-51)

Flag K

55) The question of generally exempting all the properties belonging to the M&SM Railway which have since been taken over by the Govt of India has been discussed at the present length at paras 26 and 27 of the notes above which makes the position sufficiently clear

56) The M. & S. M Company have paying the tax on question and contends to be payable under the Corporation Act also (vide portion marked A at para 26)

57) The Corporation has only agreed to the exempt Shed BNC/19 used for Stabling H M S Saloon from the tax in the Resolution dated 26th to 30

Flag "L"

58) The Law Secy may also perhaps be consulted whether the position taken at para 26 of the notes re general exemption of all M & S.M properties from municipal taxation is correct before sending a reply to the General Manager.

Draft 23/3/51 JK

59) The Law Secy may be consulted in regard to the point raised at para 58 L S & Secy) MS 29/3

Law Secy)

60) MS 31/3/51 MS 31/3

2 APR 1951

plowing up MS 2-4-51

13573 29/3

MS 2/4/51 MS/4.

8504/mdn 17

Taxation of Railway properties at Bangalore Cantonement

The Cantonement Railway Station are not exempt from liability to the municipal tax No doubt the Corporation Act is proposed to be amended to bring properties belonging to the Govt of India within the ambit of Sec 101 But this is only prospective and does not alter the immediate position Further even if the amendment is passed into law, this does not take away the power of the State Govt to levy this tax in view of the provision contained in Art 285 of the Constitution The question whether the Railway property should be taxed or not is discretionary with the State Government Whatever the provisions of the Bangalore Municipal law or the Corporation Act Hence getting information about the amount of tax realised on these properties may help a decision on the advice to be tendered with reference to the financial complications

A

6s) Submit for orders

24/4/51

6t) Information at A will may be called for

A S G Secy MS 30/4

A S G Minister

6u) Min 5/5/51

6v) 8/5/51 MS 7/5

1036 1/5

Office of the Minister for Local Self Governments 390 9/5/51

Rec'd 9/5

IR 8507/2nd, 1682/2nd

Taxation of Railway properties at the B'lore Cantonment

69) Draft letter to the Collector, Corporation of B'lore put up for approval

Recd 12/5/51

70) Issued MS 12/5

To

The Commr Corporation of the City of B'lore

L 1358/M/14 5 51

Secs A- 12/5

Calls for information

From

The Collector Corporation of B'lore

No GL 378/51 52 dated 1 6 51

Remarks the corporation calls for

71) The Collector reports that the annual tax realised by the Corporation on the Southern Railway properties at the Cantonment Railway Station is Rs 3006-6-5 exclusive of the portion on No BVC 19 used for garaging M/S Saloon This appears to be a substantial piece of revenue for the Corporation to lose

72) The legal position is explained in paras 61-64 of the notes above

73) Secs for orders Ref para 68 ante

Recd 8/6 (61/74) The Corporation cannot afford to forgo such a heavy income as Rs 3006-6-5 The General Manager Southern Railways may be informed that it is not possible to exempt his Railway property

Taxation of Railway properties at Bangalore Cantonment
from the Cantt

Secy (Fy) - Fy
13/6

Please put up
two amendments to the Rules
Note
Fy
23/6

75) What is the effect of the Recent Amendments

Mgn
22/6/17

76) The Recent amendments to the Corporation Act excepts from municipal taxation all properties belonging to the Govt of India But this power to be considered as whether this applies to the Railway properties though the Railways have been taken over by the Centre

77) The Railway properties of the Cantonment Railway Station are liable to municipal taxes under Sec 154 of the Govt of India Act 1935 as they were acquired prior to 1934

78) The local taxation of Railway properties are now governed by (The) Railway (Local Authorities Taxation) Act, 1941 (Act XXV of 1941) enacted by the Centre under this Act a Railway administration shall be liable to pay local tax if the Central Govt by a notification in the Official gazette declares it to be so liable powers as also taken to Revoke or vary any

File Separately
Subs also
D No 1410
mc

1682/28, 12lb

Taxation of Railway properties at Bhera

Cantonment

notification which might have been issued under Sec 135 of the Indian Railways Act 1890. Since no such notification issued so far by the Centre has so far been received, it has to be considered that the Cantt. & the Railway properties at the Cantonment - Railway station to pay the tax under the notification issued under the Indian Railways Act Contrary

79) In case of these powers as specifically made in respect of Railway properties the general exemption granted to the Govt of India properties under law as the present amendments proposed is perhaps inoperative in this case

80) The properties in question therefore liable to municipal taxation under otherwise not for by the Govt of India and of approved the General Manager, Southern Railways to show a reply as due with the reference recordings - Ref para 75

Spec 25/6/51 PD — Engg Secy) 81) 26/6

82) for Fin remarks re A + B

New Secy)

Fin 28/6/51

28/6

Statement

29/6

29/6

The administrative secty is requested to clarify on what basis it can be said that the notification dated 25 & 1911 empowers

1216/Gaz

Taxation of the Railway properties at Bangalore Cantonment

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83) The Administrative Secretariat may kindly make the following documents available in the first instance

1 The Govt of India Notification No 230 dated 24th Aug 1911 referred to in the Hon'ble the Resident's letter dated 21-6-1939 (Municipal collection No 10 of 48)

2 Residency letter No 7818-33-1903 dated 17th October 1922 referred to in the Residency letter dated 21st June 1939 (M1 collection No 10 of 48)

3 Govt of Mysore letter dated 21st March 1923 to the Resident referred to in para 42 of the M1 collection 10 of 48

GENERAL & PERSONAL SECRETARIAT 23JUL195 MYSORE BRANCH

Asst. Secy) (LRS)

84) Refer to the General Manager, Southern Railways, Madras as proposed for approval

Secy) Draft issued ?

297.

Sd/ Illegible

30/7

The General Manager
Southern Railways Madras
L 4573/37 6 8 S1
Calls for documents.

Fin A
7/8

1682/and √3600 2590

22 Railways properties act

Taxation of

B'lore Cantonement

Proc

The General Manager Southern Railways Madras

No M 2847 dated 30-8-51

Refers to provided collection & Correspondence and notes regarding jurisdiction over Railway lands in Mysore for the notifications required by the Law Secretary

Reqgr 12/9/51

87) A provided collection of Correspondence and notes regarding jurisdiction over Railway lands in Mysore is put up The documents referred to by the Law Secretary at para 83 above are flagged

88) The file may now be referred to the Law Secretary for Remarks

Under Secy Law Br 21/9

Lawe 20/9/51

MM 21/9

The memorandum sent is requested to clarify on what basis it can be said that the notification dated 25. 8 1911 issued by the

2590/Law

8g)
the G-I in Council, under sec 135 of the Indian Railways Act would be applicable in respect of taxes imposed under the Bangalore Municipal Law, when in the schedule of that notification no mention is ~~made~~ made of the Municipal Commissioner of the Cantonment of Bangalore under the heading of 'Local Authority'

Asst Secy (Ls G) MS 17/10

18/10

9) Let Cell Co to concur Blore Corporation Co put up for approval

Rao 2/11/51

BVR 2/11/51

9) Issue
3/11

To
The Commr
Corpn of the city of Bangalore
(thro the Mayor)
L 8499/Encl/ dated 9.11.51

5699/nl

Taxation :- Railway properties at Bilaspur

3832 Case A
- Law

GI
Above

The Collector, Corporation of Bilaspur
No A 1 - 1157/51-52 Dt 27.11.51
Requests the differentiation called for

1) The Collector, Corporation has sent a copy of notification bearing the Sales number and date applicable to the said Station area and the list of stoppers "I".

2) The file may be referred to the Legal Deptt - Ref para 8 above.

Chaos
10/12/51

Law
12/12

SDO
10/1/52

95 By notification dated 3rd April 1893 (vide page 12 of the Printed Book, Fl D) full jurisdiction on all lands occupied by the Mysore State Railway from and inclusive of the Harihar Railway Station to and inclusive of the Bangalore Railway Station and from and inclusive of the Yeswanthpur Junction Railway Station to the frontier of the State and the Bangalore-Hindupur Section of the Mysore State Railway including lands occupied as Stations, out-buildings and their appurtenances, was transferred by His Highness the Maharaja to the Governor-General in Council with effect from 1st July 1893 Consequently, it was contended by the Railway Authorities that in respect of those areas the territorial jurisdiction on which had been so transferred, the Bangalore Town Municipal Regulations would not have any force (Enclosure to No 17 at page 11) and para 2 of No 20 at page 13 This contention was not negatived but was acquiesced in by the Mysore State Government (No 21 at page 13) In view of this position it cannot be said that the Railway buildings incurred any liability merely because the Bangalore Municipal Law imposed a tax on all buildings Peference is also invited to letters No 37 at page 29 It was in order to render the said Railway buildings liable to the tax imposed by the Bangalore Municipality that the Notification dated 25th August 1911 was issued by the Governor-General in Council (Flags A and T) The legal effect of this otification as stated in the note of the then Government Advocate, Sri K Shankaranarayana Rao (page 28) was to recognise the authority of our Municipal Council to levy the tax referred to in the Notification and to surrender to that extent jurisdiction over the Railway Station premises coming within the

3832/Law

Taxation of Railway property in Civil State

Municipal limits, in favour of the Municipal Councils The position is therefore clear that the liability on the part of the Railway building to pay the Municipal taxes arose as a result of the combined effect of the appropriate provision of the Municipal law read together with the Governor-General's Notification dated 25th August 1911 The said Notification and the appropriate provision of the Municipal law imposing the taxes being complementary to each other each of these taken by itself would not be effective to create the complete liability

(b) If, as a result of the combined effect the said Notification and the appropriate provisions of the Municipal Law, these properties were being treated as liable to the payment of the taxes, then, even after the Constitution came into force, such a liability would continue under Article 285(2) of the Constitution But, when once the payment of those taxes is rendered no longer obligatory by reason of an amendment to the Municipal law (vide sec 17 of Act 26 of 1951) and granting exemption in favour of these properties, the legal liability to pay the said taxes ceased, notwithstanding the Notification of the Governor-General dated 25th August 1911 Consequently, it appears to me that from the date on which the amendment granting the exemption in favour of these buildings became operative, any liability to pay the Municipal taxes mentioned in the Notification dated 25th August 1911 ceased

A

25 J 1952

(c) Lawsuit/ms

2590 5052/ 27

Taxation on Railway properties at Bangalore Cantonment

5699/ne

~~Recommendations expressed to be operative~~

48) A notification issued under sec 135 of the Indian Rly Act, 1890 cannot impose on a Railway Company any liability to pay a tax when such liability is not imposed by the taxing statute - what sec 135 makes is that in the absence of a notn under the section, the Railway Company will be relieved from payment of a tax even though the same is imposed by a taxing statute - (see 1960 Cal 531) In view of this, the position of law stated at 'B' in para 7 is absolutely incorrect - I agree with 'A' in the note of the U/s law above -

(Seen Secy)

7/2

99) DGP Collr of Central Agencies, Bellary Rd, Cuddapah & Nellore for approval of their orders

100) May be appd

(Seen Secy)

16/2

CW to speak

Secy 14/2/52

Secy (Rly)

16/2

5699/ms 4918/law

Taxation of Railway properties at B'lore Cantonment

101) A Revised draft to Gen Manager Southern Railway Madras as per corrections

Secy 259)

102) 19/2

Corrs 18/2/52 & 19/2/52

(2267) 20/2

103) For favour of Scrutiny

Law Secy)

104) 20/2 21/2

Law 1-3-52 29.2.1952

~~The draft covers many matters on which~~

105) It is not possible to express any opinion in respect of statements in the draft about matters of detail not covered by the legal opinion already given. However, the legal position as set out at A' in the draft would be in accord with the said legal opinion

Law Secy) 106) 28/2

29.2.1952

107) The draft may kindly be returned to be sent up

Secy 259) 108) 3/3 ms 3/3

No 1306 Date 10/3

Taxation of Railway properties in Bangalore Cantonment

5699 / V 2696/ml

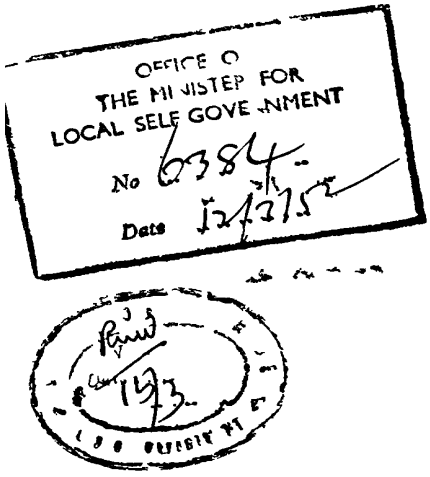
109) For perusal before cause

110) 18/3

Item 2 SG)

111) 13/3/52 15/3

112) 7/3



SubA

To The General Managers
Southern Railways
Madras
L 15366 / dated 24 3 52

From
The General Manager
Southern Railways
Madras 3
No 1/AT/M 2847-II dated 7 7 52
Requests a copy of the Corporation Act 1949

113) A draft letter to the General Manager Southern Railways Madras 3 is put up for approval

IRM 24/7 25/7

114) Issued 26/7

SubA

To The General Manager
Southern Railways
Madras-3
L 6059 / dated 1-8-52

2696 √3662 √3789

Taxation of Railway properties at B. Castle

—

From

1) The General Manager, Southern Railways, Madras

No E/AT/M 9847-11 Dt 11.8.82

Acknowledge the receipt of the Ref

2) Do

No E/AT/M 9847-11 Dt/19.8.82

Request for further correspondence

115) The Letter dated 19.8.82 of the GM Co for perusal

116) A draft reply is put up for approval or other orders.

Chas 27/8/82 — 117) Amendment Act is noted & enclosed pl put up

19

118) Issue

21

To The General Manager
Southern Railway
Madras-3

L 8888/dated 5.9.82

Sup A

Taxation of Railway property at B'lore Cantt

[App F III 2

General and Revenue Secretariat | File No 3787 J 4789 /Rel of 1952 53

VD 01448—GPB—40 000—13-7 51

Serial No

From
The General Manager, Southern Railways, Madras
No E/AT/IH 2847-II Dt 22 9 52

Requests for refund of the tax of Rs 1503-2-9 paid for the half year ended 31 3-52

119) A copy of this letter of the General Manager and, if approved, be sent to the Commissioner, B'lore Corporation for his remarks, along with a copy of this office letter No L 15366 dated 24 3 52 addressed to the G M

RAS 1/10/52

SOR 1/10

Secy
DSf) 120) [illegible] 2/10

121) yes 2/10/52

[illegible] 2/10

122) Dft letter to the Commr, B'lore Corpn is put up for approval.

[illegible] 6/10/52

SOR 6/10/52

123) Issue
[illegible] 8/10

To
The Commissioner
Corporation of the city of B'lore
(thro the Mayor)
L 11397/encl Dated 13 10 52
calls for the remarks.

SA 13/10

Contn Sheet

Taxation of Railway property at Bare Camp.

File No S 856/and of 1951 53 | General and Revenue Secretariat

Serial No

Proc

To General Manager, Southern Railways

Cno E/AT/N 4847 – 11 Dated 20 10 52

Requests for an early Reply

124) The Request of the General Manager, Southern Railways for Refund of the Cess Collected for the N E 31 3 52 has been referred to the Carriage for Necessary the Crews of the Corporation and the Reply is awaited

Clk 4/11/52

SO 4/11/52

125) Remind Comm

AO

6/11

126) Dft Do Reminder to the Comm, Bare Corpn is put up for approval

Ras 7/11/52

SO 7/11/52

127) Issue

AO 9/11

To the Comm Carpte Bare Cess

(By name)

L 12654 dated 10 11-52

Requests for Reply

Reminds.

Sd/- A-11-11-52

Sno A

SO

Taxation of Railway property in the Bihar Cantonment

—

Facts

The Commissioner Bihar Corporation vide GL 6297/52-53 dated 9 12 52 Sanctions has arrears on the claims for Refund of the Southern Railways

—

128) The Commissioner has expressed the opinion that there is no case for the Railway Authorities to claim any Refund or exemption for the following reasons —

(1) The Railway (Local Authorities Taxation Act) 1941 renders the Railway administration liable to pay the tax in respect of the Local fund

(2) Earlier other Govt properties Railway properties were never exempt from taxation

(3) Even under the Govt of India Act 1935 they were liable to pay the tax hence there can't prior to 1937

(4) The Madras Govt in agreeing the tax even on buildings constructed subsequent to 1937

129) As regards point 1 the Calcutta cases where the Central Govt notified in the

Item 83 Pre Consn ... 82 ...
5856 J 7115/Pol

Taxation of Railway property ... Bill Case

... that the property is so liable to the Cess matter is separately under consideration ... a different file and a letter ... addressed to the Govt of India

130) Regarding para 2 & 3 it has to be stated that ... has been very much altered Railways all over India have been taken over by the Govt and have become the property of the Centre The Corporation Act also after the amendment on 23-6-1951 specifically exempts from Cess the properties of the State Govt and the Central Govt since from 23 6 51 there can be no question of the Corporation Collecting Cess on Railway property central authorities by the centre under the Railways (Local Authorities Taxation) Act, 1941 as it ceased with effect from 1 4 1951 The position ... explained in our letter No L 15366 dated 24 3 52 to the General Manager Southern Railways (Flagged N') and the provisions of which only the clause for refund is now made

131) As regards para 4, the order of the Madras Govt is dated 25th October '49 and has issued under a different set up from ours

132) The clause for refund of the Cess collected

5856 S 7115/ml 35

Taxation of Railway property in the Bangalore Cantt 4826 Law

on the Railway property in the Cantonment for the half year ended 31-3-52 cs for orders

22/12-15

133) The Law Secy may kindly be requested to examine the reply of the Comr Blore Corporation, so that final orders may issue regarding refund of the money stated to have been collected by the Corpn

24/12

Secy 24/12

134) for fo remarks

25/12

Law Secy) 26/12

133) U/s Law to please examine & note

26/12

26/12

SECRETARY TO GOVT. OF INDIA 24 DEC 1952 LAW DEPARTMENT

1146

10175

24 DEC 1952

/36) The point for consideration is if the claim for refund of the tax collected on the Railway property in the Civil Station for the half year ending with 31st March 1952 is maintainable

/37) Opinion has already been expressed at paras 96 and 98 that by reason of the amendment of the Municipal law by Act XXVI of 1951 (vide section 17), ~~xxx~~ granting exemption in favour of Railway properties, any liability to pay Municipal taxes has ceased from the date the amendment became operative, that is, from 23rd June 1951 The Municipal Commissioner seems to have taken a different view in his letter dated 9th December 1952 addressed to the Secretary, L S G Department His first contention is that the taxation of Railway properties is governed by Railway (Local Authorities) Taxation Act 1941 according to which the Railway Administration becomes liable to pay any tax in aid of the funds of the local authority A similar view had been taken at paras 78 and 79 and it has been clearly stated at para 98 by the Law Secretary that the said view is wrong He has expressed his opinion that a Notification issued under sec 135 of the Indian Railways Act, 1890 ~~xx~~ cannot impose on a Railway Company any liability to pay a tax when such a liability is not imposed by the taxing Statute, and that what section 135 ~~makes~~ provides for is that in the absence of a Notification under the section the Railway Company will be relieved from payment of a tax even though the same is imposed by a taxing Statute In the present case, the taxing Statute, viz the Bangalore Corporation Act ~~xx~~ as amended by Act XXVI of 1951 itself has exempted the Railway properties which belong to the Government of India from the liability to pay tax Since now all the Railway buildings belong

to the Central Government, the Railway properties in the Civil Station are also clearly exempt from payment of tax from 23rd June 1951

/38) The Commissioner has next stated that although the Railway properties came under the category of Government buildings, they cannot be classified as such for the simple reason that unlike other properties of State or Government of India they were never exempted from taxation and they were all built prior to 1937 and further that even under the provisions of the Government of India Act, 1935 or under the provisions of the Constitution of India they cannot claim any exemption Article 285(2) of the Constitution of India provides that "Nothing in clause (1) shall until Parliament by law otherwise provides, prevent any authority within a State from levying any tax on any property of the Union to which such property was immediately before the commencement of this Constitution liable or treated as liable, so long as that tax continues to be levied in that State Under Cl (1) "The property of the Union shall, save in so far as Parliament may by law otherwise provide, be exempt from all taxes imposed by a State or by any authority within a State " So, under Art 285(2) any authority within a State can levy tax on any property of the Union to which such property was immediately before the commencement of the Constitution liable or treated as liable <u>only so long as that tax continues to be levied in that State</u> So, even if on the date of the Constitution, tax could be levied on Railway properties belonging to the Central Government, such levy would be valid only so long as it is continued to be levied

4826
Law

by the taxing Statute and not if the after taxing Statute exempts such that properties from taxation That is exactly the opinion expressed at paras 96 and 98 So, there is no force in the contention raised by the Commissioner

(39) Lastly, it is stated by the Commissioner that from a copy of the Government Order dated 25th October 1949 issued by the Government of Madras the Railway properties constructed even after 1937 seem to be liable for taxation, but it is seen from the Order itself that it does not relate to Railway properties

(40) In my opinion, therefore, the tax collected on the Railway properties in the Civil Station for the half year ending with 31st March 1952 has to be refunded

Law Secy

(41) The Advocate General maybe consulted upon

(42) Forwarded to the Board of Revenue for favour of issuance

By order
Rajendra
for Chief Secy

(43) The short point for consideration is, whether the Railway properties in the Civil Station were properly taxed by the Corporation for the half year ending with

Contd

March 31 1952 These properties were undisputedly during the relevant period the properties of the Union Under Sec 135 of the Indian Railways Act, the taxation of a Railway administration by Local Authorities was forbidden except in pursuance of a Notification under that Section Central Act XXV of 1941 [The Railways (Local Authorities' Taxation) Act 1941] was enacted for purposes of regulating the extent to which Railway properties shall be -- liable to taxation imposed by a Local Authority within the Provinces This law became necessary on account of the fact that Sec 135 of the Indian Railways Act could not be applied to State-owned Railways by reason of the provisions of Sec 154 of the Government of India Act 1935 The object of this law was to restore the position that obtained prior to April 1 1937 by enabling the Central -- Government to issue vary or revoke Notifications regarding the liability to taxation by Local Bodies of all State-owned Railways whether acquired before or after that date Under Sec 3 of this Act a Railway Administration attracts the incidence of taxation in aid of the funds of any Local Authority if the Central Government by Notification declares it to be so liable

(44) Sec 101 of the Corporation Act as amended by Mysore Act XXVI of 1951 exempts all the buildings belonging to the Government of India from property tax This amendment which created this exemption was made on June 23 1951 and is therefore well anterior to the period for which the Corporation has collected the tax from the Railway Administration

(45) While the Railway dministration can contend that under Art 285 (1) of the Constitution al

4826
Law

Union Properties are exempt from taxation by any Local Authority within a State clause (2) of that Article provides that until the Parliament makes a law to the contrary such authority shall be liable to levy on any property of the Union any tax to which such property was liable before the commencement of the Constitution and which continued to be levied in the State even after that date

(46) There can be no doubt that until June 23 1951 which is the date on which the Corporation Act was amended the tax on Railway properties was continued to be levied by the Corporation If the matter stood there clause (2) of Art 285 of the Constitution would have entitled the Corporation to continue to levy the tax notwithstanding the prohibition contained in clause(1) of that Article But however the moment all the properties of the Government of India were categorically exempted from property tax by the amendment of the hundred and first section of the Corporation Act, all the Union properties became exempted from the levy of all property tax by the Corporation notwithstanding the provisions of clause (2) of Art 285 of the Constitution That clause which would have permitted the imposition of the tax by the Corporation in this case could be of little help to the Corporation when the Corporation Act itself makes no such imposition and on the contrary creates an exemption from it I would therefore agree with the view expressed by the Law Department

SECRETARY [illegible] 1953

Tsk

ADVOCATE-GENERAL
18-3-1953

SECRETARY [illegible] 1953

I agree

Secy Law 19/3

147) MS 19/3 MV 19/3

7115 5775 5782 Kelapa

41

Taxation of Railway properties at B'lore Cantonment

---

148) The operations of the Town Advocate General and the Town Secretary are for perusal The liability of these properties for local taxation has ceased with the coming into force of the amended provisions of the Corporation Act on 23-6-1951 The amendment which created the exemption was enacted long before the period for which the tax question has been collected, the account has to be refunded as claimed by the Secretary Railway authorities

149) If approved disallowances will be issued accordingly by the Corporation after explaining the legal position

Rao 1/4/53

for 2/4

158) A may be appd

3/4

Secy Dept

154) Draft

Yes 2/4

7826-V164/52

Taxation of Railway properties at Bangalore Cantonment

---

152) Draft letter to the Secretary, B'lore Corporation as put up for approval

153) The General Manager, Southern Railways has been frequently reminding us to communicate the decision of Govt to levee cess. It is therefore for order of a copy of the letter to the Secretary may be sent to the General Manager also.

23/4/53

23/4

154) Draft letter for appl

Secy

26/4

155) for perusal before issue

OFFICE OF THE MINISTER FOR PUBLIC HEALTH & LOCAL SELF GOVERNMENT
30 APR 1953
No 536

29/4

Minister

154

8/5/53

To
The Commr B'lore Corpn
No L 1526/C & MA-5-26
dtd 7.5.53
Govt have decided to impose this Cess

155) Issued

8/5

Then maybe done 26/4
Draft sent ofs with separate letter intimating out of decision
11/4/7

Taxation of Railway property at Bldg Cant

43 [App I 111 2

General and Revenue Secretariat

File No 164/924 of 1953 54

WD 02°01—CPB—10 000—7 1 53

Serial No

Earlier Remarks Of 2 5 53 from the G M Southern Railways

158) Draft letter to the G M - Southern Railways is put up for approval

Cy 9/5/53

SMV 11/5

159) Issue

15/5/53

To

The General Manager Southern Rys Madras

No 224 A/C II 924-52-7 Dt 21-5-53 Intimating that the Govt has agreed to refund the amount

160) of approved Rs papers are now Rs Recorded

Yes

Cy 22/5/53

SMV 22/5

15/6/53

44

M L & S REVENUE SECTION GENERAL SECRETARIAT 21 FEB 1951 J A BRANCH

GENERAL MANAGER'S OFFICE G.2S.
PARK TOWN
MADRAS Station.

No M 2847/I.

To 5721

19th Feb 1951 19

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

Taxation of Railway properties at Bangalore Contonment

My letter No M 2847/I of 9/5/1950

Your letter No L 5143 of 11/8/1950

I shall be glad if you will kindly refer to the correspondence quoted above and subsequent reminders thereon and favour me with your early reply in the matter

SG

GENERAL MANAGER

Orders have been issued in the matter
The connected file is also put up
Submitted to the letter dt 10/2/57
(send a copy also)

A draft letter is put up for approval.

Subject
27/4/51 P.

Issue MS

The General Manager, 3/3
Madras

L 12359/A/57 3 15/

Duplicate Their orders have been issued in the matter

G R S App F G 3]

GENERAL AND REVENUE SECRETARIAT

(*Continuation sheet draft form*)

65

To L 1235-9/E/51
5 3

The General Manager
Park Town,
M & S M Railway,
Madras

Sir,

Sub Taxation of Railway properties at Bangalore Cantonment

With reference to the correspondence ending with your letter No M 2847/1 dated 15 2 1951, I am directed to invite attention to the Government order no L 11775-7 C M 40 50 12 dated 10 2 1951 on the subject issued in the matter. A copy of the order is also enclosed for reference.

Yours faithfully,
MS
for Secy to Govt
M L & G Depts

WD 06072—GPB—25 000—21 6-49

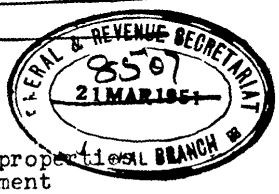
46

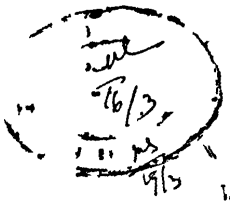
M & S M RY G M.

No. W 2842/II General Manager's Office, Madras-3 Station.

To 13th March 1951 19

The Secretary to the
Government of Mysore,
L S G Department,
Bangalore





Taxation of Railway properties at Bangalore Cantonment

Your letter No L 12359 of 5-3-51

With reference to your letter quoted above, I shall be glad if you will kindly refer to para 4 of my letter No I 2847/I of 9-5-1950 and let me know what action has been taken on the general question raised therein

for GENERAL MANAGER

MNR

3207

Genera Manager's Office,

M & S M RY G 23.

No. M 2847/I Madras 3 Station.

To 30th January 1951 19
31

The Secretary to the Government of
Mysore,
Local Self Government Department,
BANGALORE.

FILE SECRETARIAT
3 FEB 1951
7678
MUNICIPAL BRANCH

Taxation of Railway properties at
Bangalore Cantonment

My letter No M 2347 I of 9 5 1950
Your letter No L 5143 of 11 8 1950

I shall be glad if you will kindly refer to the correspondence quoted above and subsequent reminders and let me know how the matter stands now

0704

Bhuvanendran
General Manager

The memo file hearing D No 6704/Inds on the subject was submitted on 6 2 1951

Submitted
6/25/52

Orders passed
Please act once
Send a copy to the Govt
MS
8/2

Regn 13/5/50
Regn 16/5/50 G M S

MADRAS AND SOUTHERN MAHRATTA RAILWAY

Regn 24/5/50

POST BOX No. 523
TELEGRAMS —" FREIGHT " MADRAS
TELEPHONE.—2901

GENERAL MANAGER'S OFFICE
PARK TOWN, R 12/5
MADRAS, 3.

IN REPLY PLEASE QUOTE—

No M 2847/I Date 9th May 1950

CHIEF SECRETARY Bangalore 10 MAY 1950 GOVT OF MYSORE
GENERAL BRANCH SECRETARIAT 8/10 11 MAY 1950

The Chief Secretary to the Government of Mysore
Bangalore

TAXATION OF RAILWAY PROPERTIES AT BANGALORE CANTONMENT

As per Railway Board's Notification No 230 dated 24 8 1911, this Administration was declared liable to pay property tax to the Bangalore Cantonment Municipality on Railway properties situated within the Cantonment area Accordingly this Railway has been all along paying property tax to the Bangalore Cantonment Municipality

2 As agreed to between the Mysore Government and this Railway, building No BNC/19 belonging to this Railway is used for stabling H H the Mysore Maharaja's Saloon The amount of tax that this Railway is paying on this building is recoverable from the Mysore Government and the Mysore Government were reimbursing to the Railway the amount of the tax upto 14 8 1947 But the bills preferred on the Government of Mysore for the recovery of the taxes for the period 15 8 47 to 31 3 48 have been returned unaccepted, the reasons therefor being that under section 41 of the Bangalore Municipal Law, no tax is leviable in respect of any land or building belonging to the Government of India or Government of Mysore vide letter No RS 2203 Ry 23-49-28 dated 22 12 1949 from the Secretary to the Government of His Highness the Maharaja of Mysore to the Chief Auditor, Mysore State Railway, Mysore, copy enclosed

3 The matter was thereupon pursued with the Bangalore Municipality who have stated vide their reply, copy enclosed, that although the land and buildings of the Government of India are exempt from the Municipal Taxes, so far as Railway property is concerned the exemption would apply only in respect of buildings constructed after 31 3 37 and that the taxes in respect of constructions prior to this date should continue to be paid

4 I am unable to accept the stand taken by the Municipality as Section 41 of the Bangalore Municipal Law unreservedly exempts from Taxation all property belonging to the Government of India and if at all this Railway has been paying the taxes demanded, it was due to this Administration not being aware of the provisions of the Municipal Law until it was pointed out vide para 2 above

5 I should be grateful to know if your Government can address the Bangalore Municipal Council to give us the relief provided for under section 41 of their Law or if you would recommend my addressing the Central Government in the matter

Dd as referred to

GENERAL MANAGER

3

2

Copy of letter No R S 2203 Ry 23-49-28 dated 22nd December 1949, from the Secretary to the Government of His Highness the Maharaja of Mysore, Bangalore, to the Chief Auditor, Mysore State Rlys , Mysore

---

Municipal Tax on Shed BNC 19 Bangalore Civil Station used for stabling the Mysore State Railway Dining Car

With reference to your letter No XJS 591 dated 14-9-1949 on the above subject, I am directed to state that under section 41 of the Bangalore Municipal Law, no tax is leviable in respect of any building or land belonging to the Government of Mysore or the Government of India Since the management of the M & S M Railway is taken over by the Government of India, no tax is leviable on the property in question With reference to the contention of the M & S M Rly that the tax is still being paid by that Railway as per the Notification of the Government of India, I am to point out that the Notification dated 1911 refers obviously to the position before the ownership the Government of India took over the M & S M Railway and when the M & S M Railway was a Company It is not clear why the M & S M Railway not have moved the Government of India for cancellation of the said Notification and it is for them to take expeditious action in that behalf

The enclosure received with your letter is returned herewith

=======

Letter No 620/C/50-E 3 dated 14th March 1950 from the Revenue Officer, Civil Station Area, Corporation of Bangalore, Mayo Hall, Bangalore I to the General Manager, Madras

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Taxation of Railway buildings at Bangalore Civil Station

—

Your letter No M 2847/I dated 2-3-1950

With reference to the above, I write to state that under section 41 of the Bangalore Municipal Law, no tax is levied in respect of any building or land belonging to the Government of Mysore or the Government of India Water tax at 6% of the annual rental value is, however, collected on all residential buildings belonging to either Government

As regards the M & S M Railway buildings, the position is that they are exempt from Municipal taxes only if they are constructed after the 31st March 1937 -vide Government of Madras G O No 544 dated 12-2-42 copy enclosed for reference Accordingly taxes are being collected on all buildings which are liable to be taxed and new constructions and improvements made after 31-3-37 are exempted from taxation

This was already made clear in this office letter No 75/C/18/48 dated 29-4-48 addressed to the Dy Comptroller to the Government of Mysore and No E 394/49 dated 18-4-49 addressed to the District Engineer, M & S M Railway, Rayapuram (copies enclosed for reference) In the circumstances explained above, the levy of tax on all the Railway buildings existing prior to 31st March 1937 is in order Kindly arrange to pay the bills accordirgly

———

GSR

Copy of letter No 75/C/18/48 E 6 dated 29th April 1948 from the President, Municipal Commission, Civil Station, Bangalore to the Dy Comptroller to the Government of H H the Maharaja of Mysore Bangalore

———

Regarding Municipal tax on shed No BNC/19 at Bangalore Civil Station used for stabling M S Railway Dining Car

—

With reference to your letter No 342/CLAB dated the 5th April 1948, I have the honour to state that under section 41 of the Bangalore Municipal Law no tax is levied in respect of any buildings or land belonging to the Government of Mysore or the Government of India Water tax at 6% of the annual rental value is however collected on all residential buildings belonging to either Government

As regards the M & S M Railway buildings, the position is that they are exempt from Mun taxes only if they are constructed after the 31st March 1937 Copies of relevant correspondence in this regard are enclosed Shed No BNC/19 referred to in the letter being a building in existence prior to the 31st March 1937, Mul tax is leviable and is being paid by the M & S M Railway Co Ltd ,

———

GSR

Copy of letter No F 304/49 dated 18/4/49 from the Secretary, M C , to the District Engineer, M & S M Railway Co , Royapuram Madras

Taxation of railway buildings at Bangalore Cantt Railway station

--

With reference to your letter No A/348/64 dated 26th March 1949, I write to state that the assessed annual rental value of the railway building is Rs 27099/- and taxes at 14% are levied thereon as noted below -

House tax @ 8% (Including 2% scavenging tax)	Rs 2168/2/10
Water tax at 6%	1625/15/10
Total	Rs 3794/2/8

Railway buildings constructed after 31/3/37 are not assessed to any taxes as per Government of Madras G O No 544 dated 12/2/42 and services in respect of such buildings are rendered on payment of the actual charges.

Filtered water is supplied to the Rly buildings at the rate of Rs 0/12/0 per 1000 gallons after giving a fixed free allowance of 80,800 gallons in respect of buildings assessed to Munl taxes

Yours faithfully,

Sd K Chandy
Secretary, M C

5

GOVT OF MADRAS
LOCAL ADMINISTRATION DEPARTMENT

G O No 544, 12th February 1942

Tax - Railways - The Railways (Local Authorities' Taxation) Act, 1941 Communicated to local authorities with instructions

Read - the following papers

From the President, Panchayat Board, Arkonam, dated 2nd August 41 RO No 970-41
" " " " Tiruparankunram (Madura), dated 7th Aug 41, No 525-40
" " Inspector of Munl Councils and Local Boards, dated 10th Dec 41, No N 31794-41 F 4

Order No 544 L A dated 12-2-42

The Railways (Local Authorities Taxation) Act, 1941 (India Act XV of 1941) appended to this order is cummunicated to all Munl councils, the Corporation of Madras and major Panchayats The Inspector of Municipal Councils and Local Boards is requested to bring the Act to the notice of these senior Panchayats in whose jurisdiction Rly buildings exist

2 In the case of local authorities to whom Rly administrations have been already declared liable to pay any tax by a notification under section 135(1) of the Indian Railways Act, 1890, the Govt are taking steps to move the Central Govt to issue revised notifications under section 3(1) of the Act appended to this order to declare the Rly administrations liable to pay the same tax or taxes to the local authorities concerned In view of the provisions of section 154 of the Govt of India Act 1935, such local authorities are informed as follows as to the exemption of certain class of Rly property from local taxes, till such revised notifications are issued -

(1) Railways acquired by the Central Govt after 31-3-1937 are exempt from local taxes
(2) Rly property vested in the Central Govt which was not liable to local taxes on the 31-3-37 is exempt from the taxes
(3) Rly buildings constructed after 31-3-37 are exempt from local taxes However, if the buildings are constructed on land which was liable to tax on 31st March 37, the land alone continues to be liable to the tax in municipalities
(4) In the case of complete or substantially complete demolition of buildings, new Rly buildings constructed on their stead after 31 3 37 are exempt from local taxes
(5) Extensions made to Rly buildings after 31 3 37, are exempt from local taxes
(6) Rly buildings partially demolished after 31 3 37, where such demolition is necessary to effect adequate repairs will continue to be liable to tax alt ough the effect of such demolition may be to enhance the amount of tax, on account of the taxable value of the building increasing thereby
(7) With regard to improvements and partial demolitions which come in the category of improvements, made after 31 3 37 the liability of tax would depend in each case on whether the property in its final state is or is not substantially the same property as originally vested
(8) Rly administrations are not liable to pay tax at enhanced rates introduced after 31 3 37

erecting the buildings

depreciation and the

3 In cases where a Munl Council/Panchayat has been levying any component of property tax/house-tax or additional tax or private buildings and lands/buildings and where the Rly administration has not been declared by the Central Govt by a notification under section 135(1) of the Indian Rlys Act, 1890, liable to pay the tax to the local authority, the local authority may apply to this Govt to move the Central Govt to issue a notification under section 3(1) of the Act appended to this order declaring the Rly administration concerned liable to pay the tax to the local authority Such applications should be submitted through the Collector of the District in the case of municipalities and through the Dy Inspector of Munl Councils and Local Boards in the case of Panchayats and contain the following particulars -

(1) the name of the Rly administration
(2) Number and nature of railway buildings in the municipality panchayat area
(3) Extent of Rly lands (in the case of municipalities only) which are to be assessed to tax
(4) Name of the tax which it is proposed to levy on the Rly administration and the Act and Section under which the tax is levied In the case of municipalities, the several components of the property tax which it is proposed to levy should be stated separately
(5) Estimated amount of tax under each head leviable on the Rly administration per annum
(6) The nature and extent of the benefits derived by the Rly administration from the munl services In the case of water and drainage tax, full particulars should be given as to the nature of the benefits actually derived by the Rly administration from the water supply and drainage scheme provided by the local authority

(By order of His Excellency the Governor)

V N Kudva,
Secretary to Government

Extract of Section 41 from Civil and Military Station Bangalore - (VI Local LAWS)

(The Bangalore Municipal Law - 1897)

Chapter III - Taxation
General Provisions

41 Taxes which may be imposed (1) Subject to any general or special orders which the Governor General in Council may make in this behalf and to any rules under this law, the Commissioner may, from time to time for the purposes of and in the manner directed by, this Law impose in the whole or any part of the station any of the following taxes and tolls, namely -

A - With the previous sanction of the Resident -

(a) a tax on buildings and lands

i not exceeding 10 per cent on the annual value

ii not exceeding one anna per square yard or the ground area or

iii not exceeding three rupees per running foot or frontage in streets or bazaars

(b) a tax on persons practising any profession or art or carrying on any trade or calling in the station

(c) a tax on all or any vehicles, animals used for (racing) riding, driving, draught or burden and dogs when the vehicles, animals used as aforesaid and dogs are kept in the station

(d) a toll on vehicles and animals used as aforesaid entering the station and not liable to taxation under the last foregoing clauses

(e) an octroi on animals on goods or both brought within the octroi limits for consumption or use therein and

B - With the previous sanction of the Resident and of the Governor General in Council

(a) a duty on certain transfers of property in the shape of an additional stamp duty

(b) any other tax

(Provided that it shall be lawful for the President of the Municipal Commission to compound with persons living outside the Municipal limits for a sum to be paid annually half-yearly in lieu of all tolls payable under the provisions of this law in respect of vehicles or animals entering the municipal limits, and the President shall issue licenses for such vehicles or animals and while such licenses shall remain in force, such vehicles and animals shall be exempt from all tolls as aforesaid upon entering the municipal limits, provided always that such composition shall include all the vehicles and animals possessed by the person compounding)

Provided also that no tax or toll shall be leviable in respect of -

(i) Any buildings, lands, vehicles or animals belonging to the Government of India, the Mysore Government or the Commissioner or

(ii) Any cavalry horses or horses being chargers of military officers

(2) In this section "annual value' means the gross annual rent for which buildings and lands liable to taxation may reasonably be expected to let, and in the case of houses may be expected to let, unfurnished

(Provided that in the case of any building not erected for purposes of being rented and not ordinarily let, the annual value thereof shall be deemed to be six per cent, an the estimated present cost of erecting the building less a reasonable amount on account of

depreciation and the

Extract of Section 41 from the Civil & Military Station, Bangalore- (VI Local Laws)

of depreciation and the estimated cost of the land in or on which the building is erected

Provided (also) that in the case of land assessed to land revenue or of which the land revenue has been wholly or in part released compounded for, redeemed or assigned, the annual value shall if the Resident so direct, be deemed to be double the amount of the land revenue for the time being assessed on the land whether such assessment xx is leviable or not or when the land revenue has been wholly or in part compounded for redeemed, double the amount which but for such composition or redemption would have been leviable

---

9

Appendix F G—1]

SUBJECT

Diary No of letter replied to

General and Revenue Secretariat

( )

the *19*

Date of issue

Signed by

List of enclosures

Copied by

Examined by

Section

File No

Serial No

No L 2327/26 S-50

To The commissioner,
Corporation of the
city of Bangalore

Sir,

I am directed to request you to send a copy of the letter no R S 2203 Rg 2349-28 dated the 22nd December 1949, ~~in order in~~ in the which an order was issued to the effect that no tax is leviable in respect of any building or land belonging to the Government of Mysore or

WD 06818—GPB—25 000—9 7 49

the Government of India,
for reference
The matter may be
treated as extremely urgent

Yours faithfully,
for Secy to Govt
M H & S Dept
JM

Appendix F G—1]

SUBJECT

Diary No of letter replied to

General and Revenue Secretariat

( )

the *19*

Date of issue

Signed by

List of enclosures

Copied by

Examined by

Section

File No

Serial No

No L2450 ⁄ 31 5 50

To

The General Manager,
Madras and
Southern Mahratta
Railway
Park Town, P B No 523
Madras 3,

Sir,

I am directed to acknowledge the receipt of ~~their Reference~~ your letter no M 2847/, dated the 9th May 1950, on the above subject, and I am directed to state that the matter is receiving attention.

Yours faithfully,
for Secy to Govt
M. L & G Deptt

WD 06818—GPB—25 000—9 7 49

No 4

Appendix F G—1]

SUBJECT

12

M & S M PY

GENERAL & FIELD SECRETARIAT 2054 27JUN1950 G BRANCH

No L 2847-I

To

General Manager's Office, Madras,
Dated 23rd June 1950

24

The Secretary to the
Government of Mysore,
L S G Department,
BANGALORE

Sub Taxation of Railway properties at Bangalore Cantonment
Ref My letter No M 2847-I of 9-5-50

With reference to your letter No L 2450 of 31-5-50, I shall be glad if you will kindly let me know how the matter now stands

GENERAL MANAGER

Appendix I G—1]

No 4

SUBJECT

Section

File No

Serial No

Diary No of letter replied to

No L 4194 & 15 7.50

To The Commissioner,
Corporation of the
City of Bangalore
(thro' the Mayor)

General and Revenue Secretariat

( )

the *194*

Date of issue

Sir,

I am directed to forward herewith a copy of the letter no M 2047/1 dated 9-5-50 received from the General Manager, M&SM Railways Madras, in regard to the grant of exemption from payment of Municipal Tax on the Railway Buildings situated at Bangalore ~~Cantonment~~ civil area

Signed by

T.S
pl typ

List of enclosures

Copied by

Examined by

WD 02703—GPB—17 000—28 4 48

k, and to request You to
place the matter before
the Corporation and to forward their
decision as the Corporation
may desire kindly furnished
early for the order of Court

Yours faithfully,
for
W. L. & G. Langstaff
per

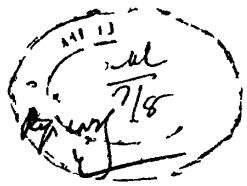
15

M. & S. M. RY. GENERAL MANAGER'S OFFICE, PARK TOWN, MADRAS.

2847/I 8th August, 1950

To

The Secretary to the Government of Mysore, Local Self-Government Department, Bangalore



Taxation of Railway Properties at Bangalore Cantonment

Your letter No. L 2450 of 31-5-1950

I have to invite your attention to my letter No. M 2847-I, of 9-5-1950 and subsequent reminder thereon dated 24-6-1950, and to request that you will kindly let me know how the matter now stands.

TSS

General Manager

k, and to request you to
place the matter before
the Corporation. and to forward them
the
[illegible]
early

Appendix F G—1]

SUBJECT

No 4

Section

File No

Serial No

Diary No of letter replied to

No G 5/42 & 11/8/50

To The Commissioner,
Corporation of the
City of Bellary

General and Revenue Secretariat

( )

the *194*

Sir,

I am directed to invite reference to this office letter No 4194/G 7 50 in regard to the grant of exemption from payment of Municipal Taxes on the Railway Buildings situated in the Bungalow civil area, and to request you to furnish the information called for therein immediately, as the General Manager

Date of issue

Signed by

List of enclosures

Copied by

Examined by

WD 02703—CPB—17 000—28 4 48

17

& M&SM Railway, Madras
I have been urged for the
the Usual Orders in the Matter

Yours faithfully,

Sec'y to Govt
for the L S G Dept

Appendix F G—1]

No 4

SUBJECT - Taxation of Railway properties at Bangalore Cantonment.

Section

File No

Serial No

Diary No of letter replied to

No C 3143 S 11/8/50

To

The General Manager,
M & M Railway,
Park Town,
P B 523 Madras 3

General and Revenue Secretariat

( )

the 194

Sir,

Date of issue

Signed by

In reference to your letter no M 2847/1 dated 5th August 1950 on the above subject, I am directed to state that the matter is under the consideration of the Government and the issue of orders thereon may be awaited.

Yours obdt,

List of enclosures

Copied by

Examined by

WD 02703—GPB—17 000—2 4 48

19

xxxxxxxxxxxxxxxxxxxxxxxxxx

L 5143

D 11/8/50

xxxx xxxxxxxxxx Mysore,
xxxxxxxxxxxxxxxxxx

L S G Department, Bangalore

The General Manager,
M & S M Railway, Park Town,
P O 523, Madras 3

SUBJECT Taxation of Railway properties at Bangalore Cantonment

Sir,

With reference to your letter No M2847/a dated 5th August 1950 on the above subject, I am directed to state that certain particulars have been called for from the Commissioner Corporation of the City of Bangalore and the receipt is awaited As soon as they are received, necessary action will be taken in this behalf

Yours faithfully,

L S G Secretary to Government

sr/2 O/C

20

CORPORATION OF THE CITY OF BANGALORE

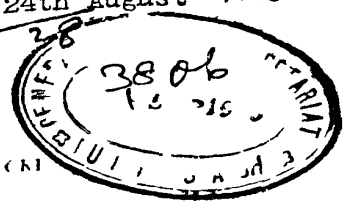
CORPORATION OFFICES
BANGALORE

N G1 770

Date 24th August 1950

FROM

THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE



To

The Secretary to the Government of Mysore,
Local Self Government Department,
BANGALORE

Sir

Subject - TAXATION OF RAILWAY PROPERTY No BNC/19 AT THE CANTONMENT RAILWAY STATION

Ref - Correspondence ending with your letter No L 5142 dated the 11th August 1950

In reply to the above I write to state that a report was obtained on your reference No L 4194 dated the 15th July 1950 It is found that one half of the building is being used as tool-room, fire-engine room and Train Examiner's staff room while the other half only is used for stabling the saloon of His Highness the Raja Pramukh of Mysore

2 The matter is however placed before the meeting of the Corporation and its decision will be communicated in due course

Forwarded with compliments

Yours faithfully,

MAYOR

COMMISSIONER

MADRAS AND SOUTHERN MAHRATTA RAILWAY G

POST BOX NO 523
TELEGRAMS — F MAD
TELEPHONE —2901

G L MANAGER OFFICE
PARK TOWN, MADRAS 3

M 2847/I/D t d 20th Septr 1950

FINANCE SECRETARIAT
22 SEP 1950
4304
GENERAL BRANCH

The Secretary to the Government
of Mysore,
Local Self-Government Department,
BANGALORE

Taxation of Railway properties
at Bangalore Cantonment

My letter No M 2847-I of 9 5 1950

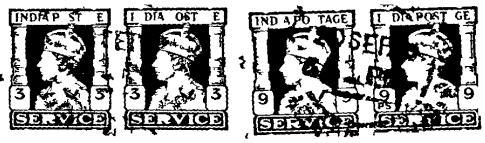
I have to invite your attention to your letter No L 5143 of 11 8 1950, and to request that you will kindly let me know how the matter now stands

General Manager

RS

From

Despat h Clerk,
Cone al Manager s Office,
t & S M Railway Madras



L.7225
Dt 14-10-50

The Commissioner,
Corporation of the City of
Bangalore
(Thro' the Mayor)

Sir,

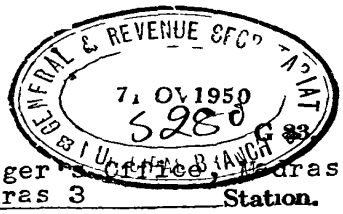
Sub Taxation of Railway
Property No BNC/19 at the
Cantonment Railway Station

With reference to
your letter no GI 770/ dated
24/28 & 50 on the above
subject, I am directed
to state that the decision
of the Corporation may
be kindly sent to

Government immediately
as The General Manager,
M A S M Railways, Madras
has been urging for
the issue of orders in the
matter

Yours faithfully,
14/10/25
for Secy to Govt
L S G Dept

24



M & S M RY

General Manager's Office, Madras 3

No M 2847/1 Madras 3 Station.

To 31/10/1950 19

1-XI

The Secretary to the Government of Mysore,
Local Self-Government Department,
Bangalore

Subject Taxation of Railway properties at Bangalore Cantonment

--

PIF My letter No M 2847-I of 9/5/50

--

I have to invite your attention to your letter No L 5143 of 11/8/50 and my reminder of even number dated 20/9/50 and to request that you will kindly let me know how the matter now stands

Reply very early

3/11/50

Yours faithfully,

General Manager

GSM

25

CORPORATION OF THE CITY OF BANGALORE

N G1 770

Enc one

CORPORATION OFFICES
BANGALORE

Date 16th November 19 50

FROM

THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE

SECRETARIAT
23 NOV 1950
5721
SECRETARIAT BRANCH

To

2-M 4050-11

The Secretary to the Government of Mysore,
Local Self Government Department,
BANGALORE

Sir

Subject - TAXATION RAILWAY PROPERTY No BNC/19 AT THE CANTONMENT RAILWAY STATION

Ref - Correspondence ending with D O letter No L 8035 dated the 13th November 1950

As stated in para 2 of my letter of even number dated the 28th August 1950 the subject was placed before the meeting of the Corporation on the 26th October 1950 A copy of the resolution is enclosed

Forwarded with compliments

N Keshavanarayan

MAYOR

rs/

Yours faithfully,

COMMISSIONER

86

RESOLUTIC PASSED AT T L CHDINARY MEETI G OF THE CCRPORATION CF THE CITY OF BA GALORE, HELD ON THE 26TH OCTOBER 1950

---

11 letter dated 15th July 1950, from the Government, forwarding a co y of letter from the General Manager, I S Railway in regard to the grant of exemption fro payment of Municipal tax on premises No B I C 49 at the Cantonment Railway Station

Sri Anantharaman moved the following resolution -

'Resolved that premises No B I C 49 at the Cantonment Railway Station, be exempted from payment of Municipal to the extent that the portion of the premises is used for g raging the saloon of His Highness the Raja Pr mu

Sri Sitapati Naidu seconded the resolution and it passed unanimously

KESHAVA IYENGAR
Mayor

COMMISSIONER

27

GM 40-50-12

R S App Γ G 3

GENERAL AND REVENUE SECRETARIAT

(~~Continuation sheet draft form~~)

5 Copies

proceedings of the Govt of Mysore

Read -

Correspondence ending with letter No. 01 770 dated 16/21-11-1950 from the Commr. Corporation of the city of B'lore forwarding the Resolution dated 28 10 50 of the Corporation to exempt from payment of Municipal Taxes premises No. B w c 19/49 at the Containment Railway Station to the extent the portion of the premises is used for garaging the Saloon of H.H. the Rajpramukh

Order No. h 11775-77 P 10/12/50

The above Resolution of the Corporation is approved

M.S.
6/12
Under Secy to Govt
14/12/50
JM

1) The Commr Corpn of the city of B'lore (through the Mayor)
2) " General Manager - Madras Southern Mahratta Ry Park Town, Madras
3) Accountant General
4) Auditor Corpn of the city of B'lore

WD 06819—GPB—25 000—26 7 49

14/12

Appendix F G—11 29

SUBJECT Taxation of Railway properties at the Blore Parliament

28

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

READ -

Correspondence ending with letter No G1 770 dated 16/21st November 1950 from the Commissioner, Corporation of the City of Bangalore forwarding the resolution dated 26th October 1950 of the Corporation to exempt from payment of municipal tax premises No B N C 19 at the Cantonment Railway Station to the extent the portion of the premises is used for garaging the saloon of His Highness the Rajpramukh

ORDER NO L 4775 77/COM 40-50-12
Dated, Bangalore, the 10/12/50

The above resolution of the Corporation is approved

By order M Srinivasachar Murthy
L S G Secretary to Government

To

The Commissioner, Corporation of the City of Bangalore (thro' the Mayor)
General Manager, S S Railway, Park Town, Madras
Auditor, Corporation of the City of Bangalore

knr-5/922-51

Appendix F G—11

29

SUBJECT.. Taxation of Railway properties at the Cantonment

Section

File No

Serial No

Diary No of letter replied to

No L 1358
14 8 51

To

The Commissioner
Corporation of the city of Bloe
(Through the Mayor)

General and Revenue Secretariat

( )

the 19

Sir

Date of issue

In Continuation of G O no L 11775-77/C M 40 50-12 dated 10 2 51 exempting premises no 19 at the Cantonment Railway Station to the extent the portion of the premises be used for garaging the Saloon of M S & the Rajapremukh from payment of municipal Tax, I am directed to request you kindly to cancel the assessment of the said premises by the Corporation Bloe on the Southern Railway properties at the Cantonment Railway Station excluse of the portion referred to above

Signed by

The matter may be treated as urgent

Yours faithfully

List of enclosures

Copied by

Examined by

M
Asst S G Secy
12/5/51

WD 010850—GPB—25 000—17 7 50

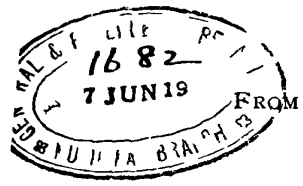
30

CORPORATION OF THE CITY OF BANGALORE

No G1 378/51-52

CORPORATION OFFICES
BANGALORE

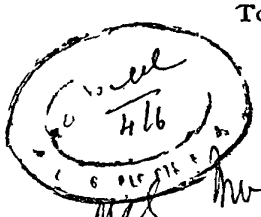
Dated 1st June 1951



FROM

MIR SAFDAR HUSSAIN Esq, B A
COMMISSIONER BANGALORE CORPORATION
BANGALORE

To



The Secretary to the Government of Mysore,
Local Self Government Department,
BANGALORE

SIR

Subject - TAXATION OF RAILWAY PROPERTIES AT BANGALORE CANTONMENT

Sw mas

In reply to your letter No 1358 dated the 14th May 1951, I write to state that the amount of annual tax realised by the Corporation on the Southern Railway properties at the Cantonment Railway Station amounts to Rs 3,006-6-5 exclusive of the portion of premises No BNC 19 used for garaging the saloon of His Highness the Rajapramukh of Mysore

Forwarded with compliments

R Anantaraman
MAYOR

Yours faithfully,

COMMISSIONER

1—1] Taxation of Railways properties at Bezwada Railconcern

Section

File No

Serial No

letter replied to

No 14573/6-8-51

Publicity Office

)

194

To

The General Manager
Southern Railways
Madras

Date of issue

Sir

Signed by

With Reference to your Cetn no M 2842/II dated 13-3-51 on the above subject I am directed to request you to be so good as to supply Spare Copies of the marginally noted documents for Reference

Also the Report Cost Cttee dated 21-2-1923 addressed to the Hon'ble the Resident Requesting him to move the Govt of India to issue a Special dispensation of the Cetn "Local authorities" for the purpose of Sec 135 of the Indian Railways Act, 1890 in pursuance of the powers of the Indian Railway jurisdiction

List of enclosures

Copied by

Examined by

WD 01000—GIB—2000—9 1 48

Order in Council, 1902 so as to exclude in that area local authorities set up under the Laws in force in the Mysore State, may be sent if available

These references are perhaps to the papers among the Mysore State Railways ~~Secretariat~~ Records handed over to your department April - May 1954 by the Superintendent of the Duke of Buccleuch 4 years for us

By
F A S G Stacy
Bx by
27/6/51

53

MAS 315

SOUTHERN RAILWAY

No M28HY

General Manager's Office,
Egmore-8,
Dated 30th Aug 1951

To

The Secretary to the
Govt of Mysore,
Local Self Govt Department,
BANGALORE

GENERAL & REVENUE SECRETARIAT
7 SEP 1951
3600
MUNICIPAL BRANCH

Re TAXATION OF RAILWAY PROPERTIES
AT BANGALORE CANTONMENT
ooo

With reference to your letter No L 4573 of 6 8 1951 calling for certain copies of letters in connection with the above, I wish to state that copies of all the letters, referred to by you, are found in the printed collection "Correspondence and Notes regarding Jurisdiction over Railway lands in Mysore", printed copies of which are readily available in the Chief Secretariat and may kindly be obtained

for General Manager,
Southern Railway, Madras

IS/-

No L. 34 8499/Genl
— 9 11. 51

To

The Secretary
Corporation of the city of B'lore
(Through the Mayor)

Subject Taxation of Railway properties at B'lore Cantonement

Sir,

With reference to the correspondence ending with your letter No GL 378/51-52 dated 1 8 51 on the above subject, I am directed to state that the General Manager of S & M Railway in his letter No M 2847/2 dated 9 5 50 informed that the S & M Railway administration was declared liable to pay property tax to the B'lore Cantonement Municipality on Railway properties situated within the Cantonement area as per Railway Board's notification No 230 dated 24 8 1911 But it is seen from the Board notification (Copy enclosed) issued by the

Governor General on Council
that no mention is made of
the Provincial Concession,
and Station in the appended
Schedule and there is a doubt
as therefore felt how this
order can apply to the M&SM Railway
property in the civil station
area. The position may therefore
be clarified with reference
to the Records available in
your office. Further Specific
information as to this and other
similar cases may be kept
handed on these properties.

The matter may be treated
as urgent

Yours faithfully

Sd/- 3/11

for Secy to Govt

Regd
2/11/51

4/11/51

5699
4 DEC 1951

CORPORATION OF THE CITY OF BANGALORE

No A-1-1157/51-52

CORPORATION OFFICES
BANGALORE

Dated 27th November 1951

FROM

N S HIRANNAYYA ESQ MA
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE
BANGALORE

TO

The Secretary to the Government of Mysore,
Local Self Government Department,
B a n g a l o r e

SIR

Subject TAXATION OF RAILWAY PROPERTIES AT BANGALORE CANTONMENT

In reply to your letter No L 8499 dated the 9th November 1951, I enclose a copy of the Notification by the Government of India, No 230 dated the 24th August 1911 declaring that the Administration of the M & S M Railway shall be liable to pay House, Lighting, water and scavenging taxes to the Bangalore Cantonment Municipality

Forwarded with compliments

R Muniswamy
MAYOR

Yours faithfully,

COMMISSIONER

GOVERNMENT OF INDIA
RAILWAY DEPARTMENT
(RAILWAY BOARD)

Simla, the 24th August 1911

NOTIFICATION NO 230

In pursuance of Section 135 of the Indian Railways Act, 1890 (IX of 1890), and in supersession of all previous notifications on the subject, the Governor General in Council is pleased to declare that the Administration of the Madras and Southern Mahratta Railway shall be liable to pay, in aid of the funds of the local authorities set out in the Schedule hereto annexed, the taxes specified against each in the second column thereof

SCHEDULE

Local Authorities	Taxes
	2
Anakapalli Municipality	House and land taxes
Adoni "	House and water taxes
xx xx	xx
Bangalore Cantonment	House, lighting, water and scavenging taxes
xx xx	xx

No 1971-R G ,dated the 24th August 1911

Copy forwarded to the Agent, Madras and Southern Mahratta Railway for information, with the remark that the notification is intended only to bring matters up to date in so far as taxes which are at present paid are in question and that further taxation proposed to be levied from time to time will be dealt with in each case on its merits under Section 135 of the Indian Railways Act, 1890 (IX of 1890)

By order,

C F ANDERSON,

for Secretary, Railway Board

Copy forwarded to the Secretary to the Government of (i) Madras, Local and Municipal Department (ii) Bombay, General Department, The Honourable the Resident in Mysore and Chief Commissioner, Coorg, for information

By order,
C F ANDERSON,
For Secretary, Railway Board

'COPY"

Mr Shaw
for Commissioner

L 18366 38
74 3-52.

The General Manager
Southern Railways
MADRAS

Sir

Subject Taxation of Railway properties at Bangalore Cantonement

With reference to your letter No M 2847 dated 9th May 1950 on the above subject, I am directed to state that the Government Properties were no doubt exempt from payment of municipal taxes under section 41 of the Bangalore Municipal Law Claims for exemption from liabilities to property tax of the Railway properties situated within the Civil Station area under the ~~above~~ said provision should have been preferred immediately the railway ~~were~~ was acquired by the Central Government If the tax has been paid on these properties even after the railways ~~were~~ was acquired by the Central Government, whatever may be the reasons for such payments, there can ~~not~~ be no question of refund of the amount after such a long lapse of time

'A'

The City of Bangalore Municipal Corporation Act, 1949, has now replaced the Bangalore Municipal Law of 1894 with effect from 8th December 1949 ~~This Corporation Act had no provision~~ The new Law did not provide for any exemption of Government Properties from municipal taxation till 23rd June 1951, when the Act was amended providing for such ~~xxx~~ an exemption Hence the Municipal tax on these properties for the period from 8th December 1949 to 23rd June 1951 has to be paid

As a result of amending the Corporation Act as from 23rd June 1951, there has been ~~a slight~~ an alteration in the legal position with regard to this levy This question is therefore separately under examination Vis-a-vis the Central Railways (Local Authorities Taxation) Act 1941 (ACT XXV of 1941) introduced with effect from 1st April 1951 to regulate th

regulate the liability of railway property to taxation imposed by an authority within a province

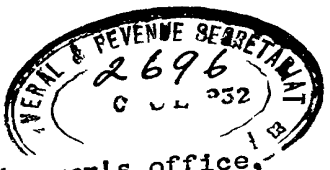
If, however, any arrears are due to be paid towards Municipal tax on the Railway properties at the Bangalore Cantonement for the period from the time the M & S M. Railways were acquired by the Central Government up to 8th December 1949, details for the same may be furnished to consider if the [illegible] of any remission is permissible

Yours faithfully,

Secretary to Government,
I S G Department

krr/19 2

40

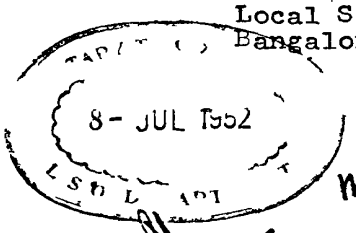


Southern Railway

No E/AT/M 2847-II

General Manager's office,
Madras 3 7/7/52

The Secretary to the Government of Mysore,
Local Self Govt Dept ,
Bangalore



Taxation of Rail way properties at Bangalore Cantonment
Your letter No L 15366 dated 24/3/52

With reference to your letter quoted above, I shall be glad if you will kindly arrange to send me a copy of the Bangalore City Municipal Corporation Act, 1949 for my reference and return

kvr

for General Manager

605-9/Excl
1-8-52

To

The General Manager
Southern Railways
Madras - 3

Sub Taxation of Railway properties at B'lore Cantt

Sir,

City of B'lore Municipal

I am directed to send herewith a copy of the Corpn Act, 1949, as derived in your letter No E/AT/M 2547-II dated 4 4 52

Yours faithfully

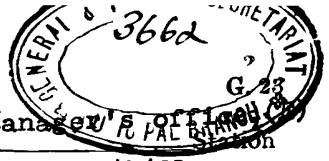
for Secretary to Govt

Rec 26/7 Desp 24/7 S & Dept

ok 30/7/52

SOUTHERN RAILWAY

42



No. E/AT/M 2847-II

General Manager's office

Madras 3 8/8/52 195

To

The Secretary to the Govt of Mysore,
Local Self Government Department,
Bangalore

Taxation of Railway properties at Bangalore Cantonment
Your letter No L 6059 dated 1/8/52

MAS 13/8/52

I acknowledge with thanks receipt of the Copy of the city of Bangalore Municipal Corporation Act, 1949, sent with your letter quoted above

for General Manager

9/8/52

63

SOUTHERN RAILWAY

No. E/AT/M 2847-II General Manager's office,(E),

To Madras 3 18/8/52 19 52

The Secretary to the Government of Mysore,
Local Self Government Department,
B A N G A L O R E

Taxation of Railway properties
at Bangalore Cantonment

Your letter No L 15366 dated 24/3/52

I shall be glad if you will kindly refer to para 3 of your letter quoted above and advise what decision has been arrived at regarding the question to regulate the liability of Railway property to taxation

A copy of the latest amendment providing exemption of Government properties from Municipal taxation referred to in para 2 of the letter, passed in June, 51 may please be sent to me

for General Manager

No. L 8888/5-52

To

The General Manager
Southern Railways
Madras-3

—.

Subject Taxation of Railway properties at Bolarum Cantonment

—

Sir

With Reference to your Letter No. G/Ac-104 2847-11 dated 18/19.8.52 on the above Subject, I am directed to forward herewith one hundred copies of amendment to the Bill Corporation Act passed during June 1951 providing for exemption of East [illegible] Buildings from property tax as desired

As regards the taxation of railway property by Railway property to municipal tax vis a vis the Central Act, the same as stated under consideration

yours faithfully
for Secretary
27/5/52

3/9/52

GS

8888

5 September 1952

The General Manager,
Southern Railway,
MADRAS - 3

Subject - Taxation of Railway properties at Bangalore Cantonment

---

With reference to your letter No E/At/M 2847-ii dated the 18/19th August 1952, on the above subject, I am directed to forward herewith an extract* of amendment to Section 101, Corporation Act enacted in June 1951, providing for exemption of Government buildings from property-tax as desired

2 As regards the question of liability of Railway property to municipal tax, vis a vis the Central Act, the same is still under examination

Yours faithfully,

(V Hanumanthappa) 3/9
for Secretary to Government,
L S G Department

* Amendment of section 101 of Mysore Act LXIX of 1949

17 In Section 101 of the said Act,

(1) in clause (h) the words "being neither building, nor land" shall be omitted,

(2) after clause (i), the following clause shall be inserted, namely -

"(j) buildings belonging to the Government or the Government of India,"

and the existing clause (j) shall be re-lettered as clause (k)

LNS 2 3/9

46

MADRAS AND SOUTHERN MAHRATTA RAILWAY

General Manager's Office(E),

Park Town

Madras 3

TELEGRAMS.—"ENGRAIL" Madras

TELEPHONE —2901

In reply please quote —

No E/AT/M 2847-II Dated, 22/9/52

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

Taxation of Railway properties at Bangalore cantonment
Your letters No L 15366 dated 24/3/52
and L 8888 dated 5/9/52

Adverting to your letters quoted above, it is noted that as per the amendment to Section 101 of the Bangalore Municipal Corporation Act, 1949, enacted in June, 1951, the properties of this administration being Central Government properties are exempt from local taxes

This administration being not aware of the exemption under the Local law, had paid in November, 1951 a sum of Rs 1503-2-9 demanded by the Corporation of Bangalore towards property tax on Railway buildings for the half year ended 31-3-52, a sum not strictly due in terms of the provisions of the statute governing the ~~body~~ laws In view of the exemption under the amendment Act of 1951, I am advised that this Railway is entitled to a refund of the tax paid for the half year ended 31-3-52

I shall be glad therefore if you will kindly direct the Revenue officer, Corporation of the City of Bangalore, to refund ~~the~~ amounts improperly levied and collected from this Railway after the amendment to the Act, exempting Government property came into force

kvr

for General Manager

47

No L 11397/T'MS Dt 13/10/52

To

The Commissioner
Corporation of the city of
Bldg
(Through the Mayor)

Subject Taxation of Railway property at the Cantonment Railway Station — Bldg

—

Sir

I am directed to forward herewith a Copy of Letter No E/A T/M 2847 - 11 dated 22-9-52 received from the General Manager, Southern Railways, Madras on the above Subject along with a Copy of this office Letter No L 15386 dated 24 3 52 addressed to the General Manager, and to request you to furnish your Reasons on the Request of the G M for Refund of the Cess Collected for the half year ended 31-3-52

Please file Copies
6/10/52
(Page 47)

Yours faithfully
for
Asst Chief Sec
6/10/52

11/10/52

48

L 11397/I.MP

13th October 52

From

The Secretary to Government,
L S C Department

To

The Commissioner,
Corporation of the City of Bangalore,
(through the Mayor)

Sir,

Subject:- Taxation of Railway property at the Cantonment Railway Station, Bangalore

---

I am directed to forward herewith a copy of letter No E/AT/II 284/-ii dated 22nd September 1952 received from the General Manager, Southern Railways, Madras, on the above subject along with a copy of this office letter No L 15360 dated the 24th March 1952 addressed to him and to request you to furnish your remarks on the request of the General Manager for refund of the tax collected for the half-year ended 31st March 1952

Yours faithfully,,

(V Ranumarthappa)
for Secretary to Government,
L S C Department

"Adverting to your letters quoted above, it is noted that as per the amendment to Section 101 of the Bangalore Municipal Corporation Act, 1949, enacted in June, 1951, the properties of this administration being Central Government properties are exempt from local taxes

This administration being not aware of the exemption under the Local law, had paid in November, 1951, a sum of R 1503-2-9 demanded by the Corporation of Bangalore towards property tax on Railway buildings for the half year ended 31-3-52, a sum not strictly due in terms of the provisions of the statute governing the levy In view of the exemption under the amendment Act of 1951, I am advised that this Railway is entitled to a refund of the tax paid for the half year ended 31-3-52

I shall be glad therefore if you will kindly direct the Revenue Officer, Corporation of the City of Bangalore, to refund the amounts improperly levied and collected from this Railway after the amendment to the Act, exempting Government property, came into force

Copy

LMS 2 11/10

Letter No L 15366 dated the 24th March 1952 from the Secretary to Government, L S G Department, Bangalore, to the General Manager, Southern Railways, Madras

---

Subject:- Taxation of Railway properties at Bangalore Cantonment

"With reference to your letter No M 2847 dated 9th May 1950 on the above subject, I am directed to state that the Government properties were no doubt exempt from payment of municipal taxes under section 41 of the Bangalore Municipal Law Claims for exemption from liabilities to property tax of the Railway properties situated within the Civil Station area under the said provision should have been preferred immediately the M & S M Railway was acquired by the Central Government If the tax has been paid on these properties ever after the railway was acquired by the Central Government, whatever may be the reasons for such payments, there can be no question of refund of the amount after such a long lapse of time

The City of Bangalore Municipal Corporation Act, 1949, has now replaced the Bangalore Municipal Law of 1894 with effect from 8th December 1949 The Corporation Act had no provision for any exemption of Government Properties from municipal taxation till 23rd June 1951, when the Act was amended providing for such an exemption Hence the Municipal tax on these properties for the period from 8th December 1949 to 23rd June 1951 has to be paid

As a result of amending the Corporation Act as from 23rd June 1951, there has been an alteration in the legal position with regard to this levy It is question is therefore separately under examination vis-a-vis the Central Railways (Local Authorities Taxation) Act 1941 (ACT XXV of 1941) introduced with effect from 1st April 1951 to regulate the liability of railway property to taxation imposed by an authority within a province

If however, any arrears are due to be paid towards Municipal tax on the Railway properties at the Bangalore Cantonment for the period from the time the M & S M Railways were acquired by the Central Government up to 8th December 1949, details for the same may be furnished to consider, if any remission is permissible "

LNS 2 11/10

Copy for L S G Secretary to Govt

57

CORPORATION OF THE CITY OF BANGALORE

CORPORATION OFFICES

SOUTHERN RAILWAY 57

C E 894

TELEGRAMS — ENGRAIL M DR S
TELEPHONE —2901

General Manager's office,(E),
~~Chief Office Engineer's Office~~
PARK TOWN
MADRAS 3

IN REPLY LEASE QUOTE —

No E/AT/M 2847-II Dated, 30/10/52

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

& HAS

Taxation of Railway properties at Bangalore Cantonment

I shall be glad if you will kindly refer to my letter No E/AT/M 2847-II dated 22/9/52 on the above subject and favour me with your early reply in the matter

for General Manager

57

CORPORATION OF THE CITY OF BANGALORE

No G1 6297/52-53
Ee Secn

CORPORATION OFFICES,
BANGALORE

Dated 9th December 1952

FROM

K HENJERAPPA, ESQ, B A B L,
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE,
BANGALORE

To

The Secretary to the Government of Mysore,
Local Self-Government Department,
BANGALORE

SECRETARY TO GOVERNMENT 10 DEC 1952 LSG DEPARTMENT

e(4 84-52-1

SIR,

Subject - Taxation of Railway Property at the Cantonment Railway Station

---

In reply to your letter No L 11397 dated 13th October 1952, I write to state at the outset that the taxation of Railway properties is governed by the Railway (Local Authorities Taxation Act) 1941, according to which the Railway administration becomes liable to pay any tax in aid of the funds of the local authority Although the properties come under the category of Government buildings they cannot be classified as such for the simple reason that unlike other properties of the State or Government of India they were never exempted from taxation and that they were all built prior to 1937 Even under the provisions of the Government of India Act 1935, or under the provisions of the Constitution of India, vide extract enclosed, they cannot claim any exemption further as will be seen from the copy of the G O No 2200 dated 25th October 1949, issued by the Government of Madras, the Railway properties constructed even after 1937 seem to be liable for taxation - vide copy enclosed

In the circumstances, I am of the opinion that there is no case for the Railway authorities to claim any refund or exemption

Yours faithfully,

Forwarded with compliments

(B V LANKAPPA,)
MAYOR

(K HENJERAPPA,) 9/12
COMMISSIONER

9/12

MVL
9-12-52

54

GOVERNMENT OF MADRAS
Local Administration Department

1949.

52

Extract from Article 285 of the Constitution of India

***

'285 (1) The property of the Union, shall, save in so far as Parliament may by law otherwise provide, be exempt from all taxes imposed by a State or by any authority within a State

EXEMPTION OF PROPERTY OF THE UNION FROM STATE TAXATION

(2) Nothing in clause (1) shall until Parliament by law otherwise provides, pre ent any authority within a State from levying any tax on any property of the Union to which such property was immediately before the commencement of this Constitution liable or treated as liable, so long as that tax continues to be levied in that State "

****

Judiciary "A" 12

Commissioner

Extract from the Government of India Act, 1935

154 Property vested in His Majesty for purposes of the Government of the Federation shall, save in so far as any Federal law may otherwise provide, be exempt from all taxes imposed by, or by any authority with a Province or Federal State

Exemption of certain public property from taxation

Provided that, until any Federal law otherwise provides, any property so vested which was immediately before the commencement of Part III of this Act liable, or treated as liable, to any such tax, shall, so long as that tax continues, continue to be liable, or to be treated as liable, thereto

---

MVL
9-12-52

Commissioner 9/12

54

GOVERNMENT OF MADRAS
Local Administration Department

G O No 2200, 25th October 1949

Tax - Local and Municipal - Assessment of properties belonging to or connected with the Central Government - Instructions issued

Read the following paper -

From the Government of India, Ministry of Defence, No 161/4193 -L 49 dated 10th October 1949

ORDER - No 2200, L A , dated 25th October 1949

The question of levy and collection of tax on properties belonging to or connected with the Central Government has been engaging the attention of this Government and the Government of India for some time past In view of a recent judgment of the Federal Court (Case No 20), the Government of India have since informed this Government that they have decided that the local taxes on the Central Government properties (other than Railway properties) will be paid on the permits of each case with due regard to the following points -

a) whether the property sought to be taxed vested in Central Government before 1st April 1937

b) if any further buildings have been constructed on the same plot subsequent to 1st April 1937

9-c) whether any improvements have been made to the old property subsequent to 1st April 1937, and

9-d) whether the tax now claimed is the same which if at all was being paid prior to 1st April 1937

The Government of India accept liability of such taxes only a were being paid from before 1st April 1937 in respect of only such buildings which existed as Government buildings before that date The Government of India further maintain that they are not liable to pay any enhanced rate of any tax that was being paid by the Government from 1st April 1937, in respect of any building, They have also stated that they are not liable to pay taxes in respect of improvements, additions to the buildings which existed on 1st April 1937 and on which the taxes were being levied In the circumstance the question of payment of a lump sum to Municipalities in respect of all Central Government buildings mentioned in Memorandum No 0075-49-19-A, dated 7th March 1949

2) The Executive authorities of Municipal Councils and Local Boards and the Commissioner, Corporation of Madras, are advised to note the position stated above and take necessary action to claim the taxes due in respect of the properties of the Government of India situated in their local areas in accordance with the above view of the Government of India

By Order of His Excellency the Governor

J SIVANANDAM,
Secretary to Government

" Copy "

COMMISSIONER 9/12

MVL
9-12-52

55 7118/L Laws Secy - 26 Dec 52

C E 894

SOUTHERN RAILWAY

TELEGRAMS — GENERAL REV SECTT MADRAS
TELEPHONE — 901

DEC 6 5375 SPECIAL RAILWAY BRANCH

General Manager's office(E),
~~THE CHIEF ENGINEER'S OFFICE,~~
PARK TOWN
MADRAS 3

IN ALL CORRESPONDENCE PLEASE QUOTE —

No E/AT/M 2847-II Dated 3/12/52.

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

Taxation of Railway properties at Bangalore Cantonment

I shall be glad if you will kindly refer to my letter No E/AT/M 2847-II dated 22/9/52 and subsequent reminder dated 30/10/52 and favour me with your early reply in the matter

for General Manager.

GENERAL ADMINISTRATION DEPARTMENT 5 DEC 1952 GOVERNMENT OF MYSORE

SECRETARY TO GOVERNMENT 4 DEC 1952 LSG DEPARTMENT

4/12

5/12

GENERAL SECTION 6035 9 DEC 1952 BUDGET

Subd

The previous reference referred to has not been received here. This may be sent to the Administration Branch for perusal as any reference on this subject

stamped from the annx]

Budget Br may please furnish the information if the matter is dealt with there.

10/12/52

Asst Secy (Budget Br) 20/12

PTO

H 6035
B

51

Sup Surveyor is not dealt with here & hence no ii is available May kindly be returned

29/12 — 29/12

May be referred to L B for

Asst Secy S R — 29/12 — DEC 30

Asst Secy LB Br — 30/12

The LB Branch does not deal with any proposals for taxation in the Corporation area the papers may be sent to the Head Branch

31-12-52

Asst Secy SR Br — DEC 31

A/Secy ML Br — 31/12

GENERAL REGISTRY SECRETARIAT 7725 M.U. MUTUAL BRANCH

57

SOUTHERN RAILWAY

REVENUE SECRETARIAT 7624 6 JAN 1953 BRANCH

E. 304

TELEGRAMS — ENGRAIL MADRAS.
TELEPHONE —2901

THE CHIEF ENGINEER'S OFFICE
PARK TOWN
MADRAS 3

IN REPLY PLEASE QUOTE :—

No E/1T/ 2847-II Dated 7/1/53
8

The Secretary to the Govern ent of Mysore,
Local Self Gove nment Depart ent,
Bangalore

Taxation of Railway properties at Bangalore Canton ent

I shall be glad if you will kindly refer to ry letter No E/ 1/ 2847-II dated 22/9/52 and subsequent two reminders dated 30/10/52 and 3/12/52 and favour e with your early reply in the matter

for General Manager

Send a reply from IT

L MAS

8/1/53

Appendix F G—1]

57

SUBJECT. Taxation of Railway properties at the Bore Cantonment Railway Station.

78-26/ml
Secy 3/4/53

58

GENERAL & MUNICIPAL BRANCH SECRETARIAT 164 6 APR 1953

SOUTHERN RAILWAY

E. 394

TELEGRAMS — ENGRAIL MADRAS.
TELEPHONE :—2901

General Manager's Office,(E),
THE CHIEF ENGINEER'S OFFICE
PARK TOWN
MADRAS 3

IN REPLY PLEASE QUOTE :—

No E/AT/ 2847-II Dated 2/4/53

SECRETARIAT 3 APR 1953

The Secretary to the Govt of Mysore,
Local Self Govt Department,
Bangalore.

Taxation of Railway properties
at Bangalore Cantonment

I have to invite your attention to my letter No E/AT/M 2847-II dated 20/9/52 and subsequent three reminders dated 30/10/52, 3/12/52 and 8/1/53 and shall be grateful if you will kindly favour me with your early reply in the matter

S HAS

for General Manager

Send ample soon

SAG

The file has been placed before the Secy on 3 & 53 on the D No 78-26/ml for orders. A reply to the General Manager, Southern Railways will be sent as soon as orders are passed on the file

19/4/53

59

Appendix F G—1]

SUBJECT Taxation of Railway properties at the Bare Cantonment Railway Station

Section CM
File No 84-52
Serial No 6

No 1526 dated 7/14 May 53

To The Commissioner
Corporation of the city of
Bare
(through the Mayor)

Sir,

With reference to the correspondence ending with your letter No GL 6297/52-53 dated 9-12-52 on the above subject I am directed to state that ~~already communicated in this~~ office letter ~~No L 15306 dated~~ 24-3-52 the reason of the amendment of the Municipal Laws by Act XXVI of 1951 granting exemption to Cantonment

nary No of letter replied to

General and Revenue Secretariat
( )
the *195*

Date of issue

Signed by

List of enclosures

Copied by

Examined by

of Govt properties, any liability to pay municipal taxes property tax on Railway tracks which they have been taken over by the Centre has ceased from 23.6.51, the date on which the amendment becomes operative

A notification issued under Sec 135 of the Indian Railways Act, 1890 (on which the Corporation relies for collecting the tax on these properties) cannot impose on a Railway Company any liability to pay the tax where such a liability is not imposed by the taxing statute itself. What Sec 135 provides for is that on the absence of a notification under the said Section the Railway Company will be relieved from payment of a tax even though the same

Appendix F G—1]

SUBJECT

Section
File No
Serial No

No
To

Diary No of letter replied to

General and Revenue Secretariat
( )
the 195

Date of issue

Signed by

List of enclosures

Copied by

Examined by

is composed by a Common
Seal as is

As regards the Land
Revenue of those properties
for taxation under Act 28 of
of the Constitution it
is to be stated that there
can be no doubt that
until the 23rd June 1951
article 13 of the date on
which the Corporation Act
was amended, the Tax on
the Railway property was
transferred to the Central
Government by the Corporation of the

WD 01416—GPB—30 000—11-10-52

the matter had stood at thus;
cl (2) of Art 285 of the Constitution
would have entitled the Corporation
to Contend to levy the tax
notwithstanding the ~~[illegible]~~ protection
contained in cl (1) of that article
But however the ornament all
the properties of the G.O.I.
were Categorically exempted
from property tax by the
amendment of Sec 101 of the
Act, all the union properties
became exempted from the levy
of ~~state~~ property tax by the Corporation
notwithstanding the provision of cl (2)
of Art 285 of the Constitution

The above amendment of
the Corporation Act which created
an
~~any~~ exemption of all the buildings
belonging to the G.O.I from
property tax is well anterior
to the period for which the

Appendix F G—1]

63

SUBJECT

Section

File No

Serial No

Diary No of letter replied to

No

To

General and Revenue Secretariat

( )

the *195*

Date of issue

Signed by

Copied by

Examined by

Cox co question has been Collected by Half-year ending 31 3 51. Where the Cox Collected for this period is not Casually maintainable and has to be Reflected to the Railways Early action may therefore be taken to Report this amount

Yours faithfully

29/-

for A S O Secy

23/4/53

26/4

54

L 1526/eM 84-52-6

Mysore Government Secretariat
Xxxxxxxxxxxxxxxxxxxx
6 >15 May 53

The
L S G & Planning Departments,

To

The Commissioner,
Corporation of the City of Bangalore
(thro' the Mayor)

Sir,

Subject Taxation of Railway property at the Bangalore Cantonment Railway Station

- - - -

With reference to the correspondence ending with your letter No GL 6297/52-53 dated 9th December 1952 on the above subject, I am directed to state that by reason of the amendment of the Municipal Law by Act XXVI of 1951 granting exemption in favour of Government properties, any liability to pay property tax on railway buildings after they have been taken over by the Centre has ceased from 23rd June 1951, the date on which the amendment became operative.

A Notification issued under Section 135 of the Indian Railways Act, 1890 (on which the Corporation relies for collecting the tax on these properties), cannot impose on a Railway Company any liability to pay the tax when such a liability is not imposed by the taxing statute itself. That Section 135 provides for is that/the absence of a Notification under the said Section the Railway Company will be relieved from payment of a tax even though the same is imposed by a taxing statute.

As regards the liability of these properties for taxation under Article 285 of the Constitution, it is to be stated that there can be no doubt that until the 23rd June 1951 which is the date on which the Corporation Act was amended, the tax on the Railway property was continued to be levied by the Corporation. If the matter had stood at that, Clause (2) of Article 285 of the Constitution would have entitled the Corporation to continue to levy the

the tax notwithstarding the prohibition contained in Clause (1) of that article But, however the moment all the properties of the Government of India were categorically exempted from property tax by the amendment of Section 101 of the Act, all the Union properties became exempted from the levy of property tax by the Corporation not withstanding the provision of clause (2) of Article 285 of the Constitution

The above amendment of the Corporation Act which created an exemption of all the buildings belonging to the Government of India from property tax is well anterior to the period for which the tax in question has been collected viz , half year ending 31st March 1952 Hence the tax collected for this period is not legally maintainable and has to be refunded to the Southern Railways Early action may therefore be taken to refund this amount

Yours faithfully,

o/c (V Harumanthappa) 6/5

FOR Secretary to Government,
L S G & Planning Department

knr-7/5/5

67

Ao L

9411 CM 84-52-7

66

SOUTHERN RAILWAY

E 394

TELEGRAMS — ENGRAIL MAD S
TELEPHONE —2901

General Manager's office(E),
~~Chief Engineer's Office~~
PARK TOWN
MADRAS 3

IN REPLY PLEASE QUOTE —

No E/AT/M 2847-II Dated 21/5/53

The Secretary to the Government of Mysore,
Local Self Government Department,
BANGALORE

S. HAS

Taxation of Railway properties at Bangalore Cantonment

I have to invite your special attention to my letter No E/AT/M 2847-II dated 22/9/52 and subsequent four reminders dated 30/10/52, 3/12/52, 8/1/53 and 2/4/53 and shall be grateful if you will kindly favour me with your early reply in the matter

for General Manager

Ans L 47

9411 CM SL1-52-7

21st May 53

To

The General Manager
Southern Railways
Madras

Subject Taxation of Railway property at the B'lore Cantonment

Sir,

With reference to the correspondence ending with your letter No E/A 7/M 9847-11. dated 2 5 53 on the above subject I am directed to state that the Cantonment of the City of B'lore has levied assessed & demanded the property tax of Rs 1,503-2-9 collected on the Railway property at the B'lore Cantt for the ~~[illegible]~~ 31-3-52 The Cantonment B'lore Corporation may be approached for getting a refund of the amount

Yours faithfully
16/5
for Secy
9/5/53

16/5/53